# CONTEMPORARY

## **ISSUES**

A MAGAZINE FOR A DEMOCRACY OF CONTENT

14

VOL. 4

### FEBRUARY-MARCH 1953

India: Destruction through Partition

A. E. Ross

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An Open Letter to Senator Wayne Morse

Chambers McAdory

Reply from Senator Wayne Morse

The Struggle within the American Bourgeoisie

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Material and Documents

America: Sidelights of the Presidential Election Campaign

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Creak in the Crusade

Paul Ecker

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## INDIA: DESTRUCTION THROUGH PARTITION

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"Britain which to-day wields power over four hundred million souls is transferring control voluntarily and peacefully to an Indian democracy." In fact, however, nothing could be further from the truth — Britain was simply forced to leave India and, in retreating, did her very best to ensure the ruination of the economy of the sub-continent and the atomiza-

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The "voluntary granting of self-determination" only took place after nation-wide strikes and disturbances, which culminated in the naval revolt of 1946, making it imperative and expedient for the British to withdraw. That Britain could not face a major revolt in India, crippled and exhausted as she was after the war "to preserve democracy", is revealed by the granting of "independence" to the colonies Palestine and Burma and the withdrawal of troops from Egypt when these countries showed signs of fight. As far as India was concerned this was indubitably shown to be the case by the late Sir Stafford Cripps who, on the question of Indian independence, stated in the Parliamentary debate (5.3.47):

"There were fundamentally two alternatives facing the Government. First, they could attempt to strengthen British control in India on the basis of an expanded personnel in the Secretary of State's services and a

<sup>&</sup>lt;sup>1</sup> Thanks to the effective gag on the press in India the outside world had not the slightest inkling of the serious and widespread struggles which took place against the British during and just after the war.

considerable reinforcement of British troops, to be in a position to enforce for as long as might be necessary our administrative responsibility while awaiting an agreement among the Indian communities. Such a policy would have entailed a definite decision to remain in India for at least fifteen to twenty years, because for any substantially shortened period we shall not be able to reorganize the services on a stable and sound basis.

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"Public opinion has preened itself on British virtue in withdrawing voluntarily from India; but posterity may dwell rather on the hustle with which the withdrawal was carried out . . . it may be hard to disentangle whether the British action was based on high principles or on the less

glorious desire to retreat to shelter before the storm broke."

There is much more to Britain's withdrawal than the superficial glimpse ventured by the Manchester Guardian would lead us to expect. True enough, sans virtue, Britain was forced to place the more profitable direct rule on the list of "luxury items" but, in the process, she initiated, through partition, a vicious policy of divide and ruin calculated to prevent any sizable development of Indian production as a competitor. The dismemberment pushes the "states" back into a slavish dependence on the metropolitan economies which, with her monopoly of the supply of jute to the world market and a fairly extensive internal market, Undivided India had already to some considerable extent overcome. Britain and America move in again as the main suppliers of manufactured goods and now even of raw materials. Nor is this all. Not only did partition shatter an economy worn out by the demands of "Britain's war effort", but it involved the uprooting of millions of people leaving in its wake a further legacy of hatred. This self-annihilation or atomization of the Indian people is guaranteed by boundaries that ferment pogrom and internecine strife. The "magnanimous gift of home rule", looked at from the point of view of the Indian people and the Indian economy is an outright betrayal. It has brought with it not any of the benefits of freedom, but only destruction, which has already cost thousands of lives. As long as the Indian people allow partition to continue, the internal destruction of a nation is assured, to be assisted, perhaps, when the time is ripe, by the external methods of genocide as in Korea.

The atomization of India, the results of which are given in outline above, was achieved by forcing through divisions entirely inimical to the natural economic, geographic and cultural situation of the Indian people — a disbalance for which differences of religion were used as pretext. Responsibility for the actual division devolved upon Boundary Commissions set up to work out, on the basis of Moslem and Non-Moslem majority areas, the

lines of the future states. The decisions to be taken had the appearance of being democratic. But faced as they were with an impossible task the august bodies composed of Hindu and Moslem delegates found themselves immediately in trouble with a maze of contradictory facts and figures presented in the interests of future rival "countries". Agreements as to the location of the boundaries were naturally not possible; the foreseen deadlock had been pioneered to maturity, and the Chairman (appointed by the British) was, under the provisions of the Indian Independence Act, now wholly "justified" and free to step in with his own award. The unworkability of the award was brazenly stated by the Chairman. In demarcating a boundary, for example, for the areas in and around the Beas and Sutley rivers on the one hand, and the river Ravi on the other, the "onely begetter" and dispenser of freedom declared:

"I am aware that the commission [meaning himself! — A.E.R.] cannot go far towards satisfying sentiments and aspirations deeply held on either side [no sides before the boundary Commission! — A.E.R.] but directly in conflict as to their bearing on the placing of the boundary. If means are to be found to gratify these sentiments and aspirations, I think that they must be found in the political arrangements with which I am not concerned, and not in the decisions of a boundary line drawn under the terms of reference of this commission." [My italics — A.E.R.]

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Confronted with such utterances we might well ask: Why then make lines? And the official answer to that gives the "lie direct" to the reasons for boundaries. The ostensible and original purpose for the setting up of the Commission was to arrive at demarcations more "satisfying" to the "sentiments and aspirations deeply held" by different sections of the Indian people, of which religion was the main one. It is precisely this in the actual divisions that was not met. In fact the boundaries flaunt "the terms of reference" of the Commission (impossible anyway) at every step and merely exacerbate the internal turmoil among the Indian people. As we shall see this is particularly so on the question of religious differences. The political troubles so baldly recognized by the Chairman are precisely among the aims of the arrangements and brought about by him.

Really to track down the pious fraud of Indian "self-rule" we must trace in some detail the adverse repercussions of partition on the economy of the country as a whole, the scope of which is obviously too great for a single article. One of the most immediate and blatant examples is the effect on the distributive network of undivided India's economy which has been struck a heavy blow. The transport system, like that of the canal system, together with the electrical power grids, all of which were to a certain extent geared to the requirements of the economy, have been haphazardly split up to contribute a further significant element toward the dismemberment of the productive life of India. The remaining ineffective and unbalanced segments have resulted in bottlenecks and an overloading of the already worn-

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out rolling-stock. In addition the complementary character of the ports of Bombay and Karachi in the West, and Calcutta and Chittagong in the East has been disrupted. The wharves of Bombay are constantly overloaded with goods formerly sent to Karachi, while the wool grading and marketing facilities of the latter port are lost to the requirements of the Indian Union. Chittagong, that formerly served only its immediate hinterland, whether in East Bengal or Assam, has now to handle almost the total volume of East Pakistan's sea import and export trade, a task beyond its limited capacity. Since the direct rail and river routes between Assam and the rest of India now lie in "alien territory", a more circuitous and thus more costly rail link had to be constructed to enable jute and tea from Assam to reach the port of Calcutta, and coal from Bihar and West Bengal to supply the railways and tea gardens of Assam.

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#### The Jute Industry

As already indicated every aspect of economic life in Undivided India was rocked by partition. An examination of the corner stone of the economy — jute production — will reveal in sufficient detail the crippling blow of "freedom".

The pre-partition character of the total jute industry of the sub-continent was such that the areas now sealed off as East Pakistan produced between 73 and 80 per cent. of the raw product, of which over 70 per cent. was supplied to the mills in and around Calcutta for conversion into hessian (burlap), sacking and other jute textiles, while the port also served as the marketing and export centre for pressed raw jute and finished products. The industry was important not only for the employment it provided but also for the foreign exchange it earned. Partition drastically altered (ruined rather) this interdependent natural pattern built up through the years. The tortuous boundary lines throughout the whole country simply sever, with the precision of a surgeon's knife, the mills and manufacturing areas from their main internal raw material supply bases, and this is achieved not only for the industry under examination but for other developed sectors of production as well. The table below illustrates the extent of the division in the production of raw jute in India and Pakistan: <sup>5</sup>

Area (figures in thousands of acres)			(Yield bales in thousands)			
	Pre- War 40-41	Pre- Partition 47-48	Post- Partition 49-50	Pre- War 40-41	Pre- Partition 47-48	Post- Partition 49-50
Pakistan India	4,410 1,263	2,059 651	1,559 1,158	10,393 2,779	6,843 1,696	3,332 3,117
Total % Share of	5,673	2,710	2,717	13,172	8,539	6,449
Pakistan	77	78	57	79	80	52

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#### The Jute Industry

As already indicated every aspect of economic life in Undivided India was rocked by partition. An examination of the corner stone of the economy — jute production — will reveal in sufficient detail the crippling blow of "freedom".

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The table illustrates two important and immediate detrimental results on production. Total production has declined by more than half, with Pakistan (East) suffering the biggest reductions in area and yield, while India shows a slight increase in yield over the pre-war figures. This lopsidedness is due to India's attempt to render herself self-sufficient in her main commodity, and can only have bad results on the production of the commodity as well as on her agricultural production. No matter how much acreage and yield are increased, from the point of view of colour and staple length, the emergency development is not economically feasible, for the East Pakistan varieties are essential, not only in the production of hessian (burlap), but also for giving warp strength to sacking cloth made largely from Indian varieties:

"Those in the know of jute manufacturing estimate that at least 70 per cent. of the jute consumed by the mills must be of varieties produced in East Pakistan. This means that India is dependent on East Pakistan to the extent of 45-to 50 lakh bales if the looms are worked to capacity."

From the crisis situation created between the two "nations" the uncertainties and difficulties which have arisen over the supply of raw jute of the required varieties have brought about an actual decline, not disclosed in the figures for total production, in those sectors of the Indian industry dependent upon East Pakistan sources. For example, hessian, which made up 43 per cent. of the total gunny bag production in 1946-47, accounted for

only 37 per cent. in 48-49.

Pakistan, in the immediate effects, suffered worst. For her, partition meant the outright loss of all milling and marketing facilities, and the greater proportion of the pressing requirements for her industry. Only about two million bales can be hydraulically pressed in East Pakistan — a serious limitation to the export of her jute to countries other than India. In addition her only port of any size, Chittagong, is limited in handling and berth capacity and has to rely on a single track rail-connection with the interior, which further impedes the dispatch of new materials in quantity or the import of manufactured goods. Stripped also of its main market — the mills in and around Calcutta now under the control of the Indian Union which has become its chief competitor — Pakistan's jute industry, her mainstay, is doomed to nothing short of bankruptcy.

Following the separation of the two interdependent sections of the industry, competition has become acute and enters in as a further destruc-

\* E.C.D.I., p. 266.

<sup>8</sup>An example, one of many, of the (intentional) stupidity of partition, is the way in which it affected the sub-continental railway system. 73,000 non-Muslims, being in the main clerical staff, migrated to India whilst 83,000 Muslims, mainly skilled workers, migrated to Pakistan. On the East Indian Railway the shortage of drivers and firemen amounted to about 45 per cent. of the total requirements; Pakistan, on the other hand, experiencing a surfeit of skilled railway staff.

"The markets for the two commodities on which the country's economic balance depends — jute and cotton — have slumped disastrously, and the great strength of being self-sufficient in food in a hungry Asia has vanished, at least temporarily. This year instead of selling wheat abroad Pakistan is having to borrow

and buy." London Times, 16th August, 1952.

<sup>&</sup>lt;sup>6</sup> "In 1950 India planted more than Pakistan for the first time and production was expected to rise further in 1951." *Jute Bulletin*, February, 1952, p. 432 (published Calcutta.)

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reat least row tive factor. The former bargaining between individual cultivators and manufacturers takes the form now of an undeclared trade war between "states", each suffering by the setbacks to production and struggling for the dominant position. In this way Pakistan imposed an export duty on inter-dominion trade over the land frontiers — an imposition higher than that on seaborne trade for the same commodity. As retaliation for this increase in costs for imports from Pakistan, India reduced her purchases. — of raw jute, for example, from 747,321 tons in 1948-49 to 333,933 tons in 1950-51. Forced to retreat, Pakistan reduced her prices, but to no avail, for hard on the heels of this concession came devaluation of the Indian rupee and Pakistan's refusal to follow suit. Result: a new rise of Pakistan's prices to offset devaluation. Result of the result: a trade deadlock, during which the jute industry came almost to a standstill. The overall effect of the deadlock can be seen from the following statement by the Reserve Bank of India Bulletin:

"The magnitude of the deterioration in the trade between India and Pakistan can be judged from the facts that while India supplied about 54 per cent. of Pakistan's imports in 1948-49, in the next year this figure was only 31 per cent. Again in the earlier year she purchased 62 per cent. of Pakistan's exports as compared with 35 per cent. in 1949-50. . . . The value of imports from India has decreased by 43 per cent. The value of exports shows an even steeper decline, the fall being of the order of 63.2 per cent. owing largely to the shrinkage of jute sales to India." <sup>18</sup>

Quite apart from the savage competition already described in which one "state" emerges with a temporary economic gain at the expense of another, who stands to gain most from the "freedom" to ruin itself granted by Britain? It was pointed out earlier that partition was deliberate in order to push India back into continued dependence on Britain, America and other countries, to ensure, that is, that she continue as a handy colonial market. Five years after partition the desired result has been achieved although accidents will happen. While Britain has pushed through her own self-advantage the weakness which determined her withdrawal has militated against her as the main supplier of the new and chronic needs created through the division of greater India. Increasingly the plums fall to America, to those countries in her "sphere of influence" or under her direct control, like Japan. In an effort to halt encroachment on her traditional preserve Britain introduced the Colombo Plan, but her magnanimous ally

<sup>&</sup>lt;sup>10</sup> "Usually, the explanation for this reduced quantity, as given by official sources, is that we require less jute because our own production of raw jute has increased. It seems that this is not the correct explanation. The real fact is that since June, 1949, as per an understanding between the Indian Jute Mills Association and the Government of India, 12½ per cent. of hessian looms were sealed, and mills worked for only three weeks in a month in the year 1949-50." [This still continues — A.E.R.] E.C.D.I., p. 266.

<sup>&</sup>lt;sup>11</sup> Dept. Commercial Intelligence and Statistics, No. 5106, Calcutta. Published Government of India, Delhi, 1951, p. 30.

<sup>&</sup>lt;sup>12</sup> During the trade deadlock, Pakistan endeavoured to find alternative sources of coal, which included imports from South Africa. This is fantastic, for East Pakistan is surrounded on three sides by the coal-producing provinces of Bihar, West Bengal and Assam, Indian coal costing approximately 20 rupees per ton while imported supplies are reported to be in the region of 75 to 90 rupees per ton.

<sup>18</sup> Reserve Bank of India Bulletin, Vol. 4, No. 6, June, 1950.

countered, and swamped the "plan for the development of backward areas" by loans and grants through the World Bank for the much nobler task of "stemming the tide of communism". The outcome of the unequal battle is most interesting in its connection with India.

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In the series of painful productive recessions in jute an accumulating result is that Undivided India has lost out on the world market in her monopoly of that production. Other countries were not slow in their efforts

to fill the gap. From the Jute Bulletin14 we learn:

"Brazil is now developing a new fibre plant producing about ten times more fibre per stem than the jute plant. . . . During the first eight months of 1951 Brazil exported 39,628 tons of sisal fibre valued at £5,679,360 f.o.b. The corresponding figures for January-August, 1950, were 29,019 tons and £2,960,880. Exports have increased from a monthly average of 228 tons in 1946 to 4,953 in 1951, while the average price per ton which declined from £140 5s. 7d. in 1946 to £104 11s. 2d. in 1950 has increased this year by 37 per cent."

For the anticipated increase of the new fibre to take the place of India's

iettisoned economy:

"Arrangements have been made for 25,000 Japanese immigrants to

settle in Brazil during the next five years."

Other countries are entering into the purchase of the rival product to supply the world market with manufactured products:

"Western Germany issued licences in November to import sisal to the

value of U.S. \$1,000,000 from Brazil."

Gallantly America enters into purchase from her dollar area:

"Comparing the years 1949 and 1950 exports of sisal to the U.S. increased last year from 7,694 to 31,066 tons. . . ."

While at the same time we learn from another source: 15

"The total gunny bag exports from India to the U.S.A. fell from 2,217,400 for the eight months April to November, 1949, to 737,400 for

the same period in 1951."

In other main industries divided India has been forced from being an exporter to becoming an actual buyer of raw materials having through partition been cut off from her internal supplies. The total import of cotton into India for the year ending 31st August, 1951, shows that the share from Pakistan has been reduced from 25 per cent. to .006 per cent." and that the U.S.A. has become India's main supplier of long and medium staple cotton,

14 Jute Bulletin (Calcutta), February, 1952, p. 461.

<sup>15</sup> Dept. Commercial Intelligence and Statistics, No. 5124, Calcutta, — Published Govt. of India, Delhi, 1952, p. 233.

<sup>16</sup> Figures from the Indian Cotton Growing Review of Bombay, January, 1952.

Quite in keeping with the modern co-existence of "scarcity" and abundance is the following report from the London *Times* of 30th June, 1952:
"Mr. Fazlur Rahman, Minister of Commerce (Pakistan), yesterday . . . disclosed that 511,000 bales of raw cotton were now in Karachi and 200,000 more were expected before the end of the cotton year on August 31st. Of this quantity, the cotton board set up by the Government held 300,000 bales. He was hopeful that

in view of the 10 per cent. reduction, the board would be able to dispose of this. "The Minister said the country's external financial position was sound, and he vehemently denied that devaluation of the Pakistan rupee was contemplated. He added: 'An assurance can be given that our earnings will be adequate to meet the expenditure (mainly defence) we have in mind. But our jute and cotton did not

while Japan (read America again!) is fast taking over for cotton piece goods her former market — Pakistan.

The Woollen industry tells the same tale following on the wedge driven between raw material and manufacturing areas. The industrial skilled workers emigrated en masse to agricultural Pakistan. The result was a fall in the production of woollen manufactures from a monthly average of 2,250 thousand lb. in 1946 to 1,313 thousand lb. in January, 1952. Once again there was a switch from quality production and India had to turn for raw materials to foreign suppliers — in this case the chief suppliers being the U.K., Australia and New Zealand. Furthermore, the industry lost to foreign producers the market of Pakistan (particularly West Pakistan) which used to absorb nearly 30 per cent. of its total production. Victory has indeed been assured in the finest detail!

#### Agriculture

In contrast to India's industrial development before partition, especially in the pre-war period, which partition was designed to set back and smash, India was in agricultural respects always chronically backward though partition has further aggravated this. The poverty of Indian agriculture was and is strikingly reflected in the large mass of landless or debt burdened peasants with their low yield both in quantity and quality of crops. Translated into figures this means that of approximately 82.5 per cent. of her 356 millions who are dependent upon the cultivation of the soil for a livelihood, 55 per cent. are landless and the remaining 45 per cent., who are peasant landholders, show an average yield per acre of 731 lb. for rice as compared with 1,005 in Burma, 1,549 in China, 3,190 in Italy, 1,427 in the U.S.A., and for wheat 636 lb. as against 1,140 lb. in Europe. 18

One of the causes of this appalling state of agriculture is the system of land tenure, part and parcel of British rule in India, which had as its result the splitting up of the land into fragmented holdings, uneconomic and increasingly impossible to cultivate. Under the pretence of the preservation of local customs, worsening the situation considerably, the Zamindars, pre-British tax-collectors, were invested with the "rights of private property". This was an innovation which, while still retaining the form or appearance of the village commune brought about its destruction by making balanced mixed-farming, the pattern of Indian agriculture from time immemorial, an impossibility. What necessarily followed was the extensive

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"See "Occupied Japan: The Policy of Annihilation in the Far East", Contemporary Issues, Vol. 3, No. 10.

<sup>19</sup> Cultivation figures from The International Federation of Agricultural Producers reported in *Modern Review*, July, 1950.

19 Average Size		cultural Holdings.		
Indian States	Acres	Foreign Countries		Acres
Uttar Pradesh	31	Denmark		40
Madras	41	France		20
Bengal, Bihar, Orissa, Assam	3	U.S.A.		145
Bombay	12	Romania		16
Average for Indian Union	5	Poland		142
Table 4, Asia and the West, by	Maurice	Zinkin, Chatto &	Windus,	1951.

move in sufficient quantities during the past three months, and if they continue not to do so for some time more our position may possibly be affected to some extent."

development of monoculture and the plantation system, both dictated by the requirements of industrial mass production, which besides steadily destroying the fertility of the land made the cultivator as dependent as the

urban dweller upon outside sources for his food supply.

On postage stamp plots the peasant has to produce sufficient to pay taxes to the Government, and provide food for himself and his family and fodder for his one bullock (if he is lucky enough to have one), the poor animal being the source both of fuel for the household and fertilizer for the soil, whilst all three, man, beast and soil are dependent alike upon the vagaries of the monsoon for their pathetic existence; in consequence the production of low-yielding, disease-ridden and pest-infested crops is inevitable. In this precarious situation the slightest variation drives the peasant to debt, and debt forces him inexorably into the ever-swelling ranks of the landless whose terrible fate it is to have been born into a society where all employment, hope for the future and even the very "right" to live is bound up absolutely with the possession of property, for in default of his meagre plot his existence is cut short through chronic starvation, by an early death. The million and a half, mainly landless, dead of the 1942 Bombay famine bear grim witness to this fact. As Maurice Zinkin correctly observes:

"The growth of tenancy and debt shows a peasant society which is on the way to collapse. But the coming into being of large numbers of land-

less labourers reveals that the society finally has collapsed."an

On the millions of peasants labouring in poverty one immediate effect of partition is to be noted. Since partition a major dispute, affecting the peasants' already precarious ability to earn a living, has arisen between Pakistan and the Indian Union on the question of the supply of water by East Punjab (Indian Union) to the central Bari Doab and the Delpapur

Canals in West Punjab (Pakistan):

"With the division of the Punjab, the Upper Bari Doab canal system has been dissected diagonally and about 40 per cent, of the area hitherto irrigated from the Upper Bari Doab Canal now lies in West Punjab. Secondly, the Ferozepore headworks lie in East Punjab, whereas the Delpapur Canal and the Sutley Valley canals which take water from the Ferozepore headworks, with their entire irrigated area, are in West Punjab. . . . " Punjab

The difficulties involved are brought out clearly in the following quotation: "According to Pakistani sources the established practice is an equitable apportionment of the waters of the Indus Basin. In April, 1948, East Punjab stopped the water supply to the West Punjab canals, causing serious damage to standing crops and acute distress to those dependent on these canals for their drinking water. Later the East Punjab Govern-

23 E.C.D.I.

The problem of seasonal unemployment among the peasant populations of the agricultural areas of the east is dealt with by Mr. Michael Young, Labour Party research adviser, in a party discussion pamphlet which was published yesterday under the title Fifty Million Unemployed. He gives fifty millions as an estimate of the number of workless at any one time in India alone, . . . Jute growers in Bengal, states the pamphlet, may be idle for nine months in the year, and other peasants are without work for periods ranging from five to seven months. " London Times, 18th March, 1952. Asia and the West, p. 34.

ment offered to resume the supply on conditions that were unacceptable to Pakistan.

"In May, 1948, a temporary agreement was reached without prejudice to the legal rights of the parties. Pakistan has since made repeated requests to India to submit the canal waters' dispute to the International Court of Justice but India did not agree to it and made counterproposals. India has all along maintained that Pakistan has enough

waters in her own rivers to fill her canals."23

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When it is realized that most of the rivers that flow through the West Punjab have their source either in East Punjab or the Kashmir wedge it will be immediately obvious that no independent and peaceful development can take place in any of these areas. With the best intentions in the world any "political arrangements" are doomed to failure, for ultimately they can only be made in the "interests" of the competing "states". Thus with pious words and "golden intentions" has been destroyed the essential unity of the Punjab, and with it the smooth working of the world's largest irrigated area.

The main and by far the most dangerous result of partition on agriculture and the Indian people as a whole is to be traced to the dislocations in industry. Robbed of their adjacent raw material supplies for manufacture, large areas of land in the Indian Union, for example, are put to the production of such raw materials, with an ever-increasing shrinkage of land devoted to the production of rice, maize, and other essential foodstuffs for the people. Before this new embargo the situation was bad enough in the same direction. In the interests of their "commitments abroad" Congress in spite of all camouflage, had encouraged the emphasis on the production of cash crops (raw materials) although this meant an acute tightening of the belt in food production at home. In spite of Nehru's "renewed efforts" with the Grow More Food Campaign (which produced more hot air than grain) and the various legislative measures such as the Bombay Growth of Foods Crop Act, 1944, which prescribed that a certain minimum proportion of a cultivator's holdings should be put under scheduled food crops, the report of the Bombay Grow More Food Policy committee states that:

"In the prevailing background of substantial price differences between food and non-food crops, and between the black-market price of food grains and the official rate of seed, the committee opines that diversion of part at least of the Grow More Food aid to non-food crops and consumption of seed is probably inevitable with the best care which the Agricultural Department might take. The committee further states that 'even if none of the aids distributed as part of the campaign were diverted to non-food crops, the content of the Grow More Food Campaign is far too small to produce significant results. . . . It would appear, therefore, that no programme which has for its objective increased production of food, stands much chance of success in the absence of an economic incentive to replace the present system of economic handicaps on the growers of foodgrains'. But for the growing disparity between the prices of food and non-food crops, the Committee feels, the achievements of the Grow More Food Campaign might have been more impressive."

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London Times, 5th May, 1952.
 Reserve Bank of India Bulletin, April, 1952, published Bombay, p. 295.

Through the "new needs" of industry the previous continuously diminishing production of food for the people has been accelerated at an alarming tempo. Giant steps have been made in the plunder of acreage for industrial purposes. The President of the Central Jute Committee makes this very clear:

"You will have noticed that in 1950 the acreage under jute was 14.54 lakhs while during the year 1951 the acreage is 19.52 lakhs. In 1950 the production of jute according to the final forecast is known to be 33.01 lakh bales, while in the year 1951 the production has been estimated at 46.77 lakh bales. Considering that after the partition we were left with an area of 6.5 lakh acres under jute and production of jute 16.9 lakhs of bales only I hope you will agree with me that this nearly 300 per cent. increase in acreage and production is a good achievement." Cotton production adds its quota to the increased incursions:

"The first estimates of areas under cotton in 1951-52: issued by the Directorate of Economics and Statistics, New Delhi, places the acreage at 7,151,000 against 6,474,000 acres in the previous year."

The area under oil seeds has also been increased by 2,394,000 acres between the seasons 1948-49 and 1950-51, the largest increase under particular items for oil seeds being groundnuts to over a million acres."

This spoliation of food production while inevitable in all colonial countries and most acute in those colonies which came in late to capitalist development, as in India, can inside the framework of partition only run a more rapid and ruinous course. In case there is doubt on this point it would be well to repeat the present development in India in concrete terms by quoting from the Finance Minister's Budget Speech of 1950-51:

"The integrated economy of Undivided India has inevitably been affected [how mild! — A.E.R.] by the partition and although one may continue to hope [on what grounds? — A.E.R.] that the old pattern of trade between the two countries would be re-established, India cannot afford to remain dependent on an outside [!] source for the essential raw materials of the country's main industries, viz., jute and cotton. Apart from the risk involved in such a course which recent events have underlined, this dependence also means a considerable expenditure of foreign exchange. It is therefore in the long term interests of the country to increase the internal production of jute and cotton. . . .""

That is a clear statement of the developing "perspective" and the reasons for it. The "long term interests of the country", supposedly served by the industrial agonies, is another thing. The drive in the direction of self-sufficiency in one direction seals the doom of India's dependence in a far more vulnerable and irrevocable sense. The need to import agricultural products is steadily mounting and with it, of course, the expenditure of

<sup>55</sup> Jute Bulletin (Calcutta), Feb., 1952, p. 424.

<sup>28</sup> Indian Cotton Growing Review, p. 1, January, 1952, Bombay.

<sup>&</sup>lt;sup>27</sup> Ministry of Food and Agriculture, p. 1, DES. 26.49-5/450 Nov. 1951, New Delhi, Government of India.

<sup>&</sup>lt;sup>28</sup> Ministry of Finance, F.D. 16.51/300, para. 35, New Delhi, Government of India.

precious "foreign exchange". This is particularly the case with food grains as illustrated by the following table of imports: "

Year	Quantity (in 1,000 tons)	Value (in crores of rupees)
1944	649	13.0
1945	850	20.4
1946	2,250	76.1
1947	2,330	93.7
1948	2,840	129.5
1949	3,700	148.0

Here again the partition of India is a cumulative economic gain for the metropolitan countries, amongst which the U.S.A. looms largest. In spite of Nehru's cries of "no strings attached" to American aid, India is bound more harshly to the wheel that breaks her. There can be no safer leash than the warning about "starving peoples upsetting Governments" which the U.S.A. holds on the Indian Congress by virtue of being the chief source of India's grain supply."

#### The Role of Congress in the Partition

In the foregoing analysis the responsibility for the division of Undivided India and its raison d'être have been firmly placed on the shoulders of the British Administration. The analysis of the whole dirty business however would not be complete without the inclusion of the Indian Congress Party. Had Congress been more than merely demagogical in its behaviour, had it, that is, not limited the question of partition to discussion and threats accompanied merely by a wailing and a gnashing of teeth, but taken the matter instead to the whole people a very different development would have opened up. But at no stage were the vast majority, who were already in a purely factual sense sufficiently intransigent to have broken direct British rule, given an opportunity to express themselves on the division. They were offered instead partition as a fait accompli. In other words the choice put to them was the question of residence either in a future Hindu or Moslem state. A choice not only farcical democratically, rendering the majority impotent, but farcical also in fact and bolstering up Britain's beautifully "moral" concern for minorities. In fact, the movement of people possible in the given concrete circumstances was only of the order of sixteen millions, a small figure when compared with the table of population distribution given overleaf: "

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<sup>\*</sup> E.C.D.I., p. 165.

Nehru must have a very guilty conscience for one does not look for political strings attached to "ordinary straight-forward business deals". His constant cries only draw attention to the fact that strings exist. In the war of words of 1951, America demanded monazite as part payment for wheat, which was refused on the grounds that "it is a fundamental part of our foreign policy that such material as is particularly related to the production of atomic or like weapons shall not be supplied by us to foreign countries". But this and similar smoke-screens of the peace-loving Nehru, defender of Asian rights, can be discarded, for even while the "bargaining" was in progress the British Military Authorities, by a standing agreement with Congress, were recruiting Gurkha troops on Indian territory for service in Malaya. During the Indonesian struggle for independence the Government of India supplied licences for the export of trucks to the Dutch Army.

E.C.D.I., p. 71, Table 4.

	INDIA	(Figures in millions)	PAKISTAN
Moslems	45	(Figures in minions)	57
Non-Moslems	292		21
Total	337		78

How well the different religious and national groupings consort in the new division!

The betrayal of the people to partition is, of course, not to be limited to this final act on the part of Congress but in their disputes, as representatives of the industrial interests of India, with the Moslem landowning class they prepared the way for it a long time back. One of the most significant steps toward the framework of partition occurred as long ago as 1916 with the Lucknow Congress-Moslem League Pact. In the Pact they agreed to a communal electoral division<sup>22</sup> and this in spite of the fact that, in their rôle of the protagonists of Indian Nationalism, the leaders of the Party commanded the allegiance of the vast majority of the people. By accepting communal representation the Party cut itself off from the Moslem people who had then no alternative but to turn to the Moslem League as the only means of organized struggle. In this way the effete party of landlord interests was given its base as a "national movement".

To understand the rôle of Congress and the final events one must recognize that the Indian bourgeoisie, whose spokesmen they were, was compelled as a minority class oppressed by Britain and squeezed by the landowners to place in the forefront of its political approach to the Indian people, in order to gain popular support, the wide aims of "freedom for all". In this they behaved exactly like the rising capitalist class in the West, but unlike the Western invaders, the bourgeoisie of India did not inherit "unlimited possibilities" ensuring the capitalist drive-through. In the moment of liberty, that is of maximum world pressure, they had to cast aside not only sizable episodes in their own dream of Empire but their rôle as protagonists of the interests of the people — to a much greater and more ruinous extent than in the West. Their own material base was by comparison with the West, so small and insecure that they had no alternative but in the final stages to jettison the Indian National struggle for fear that an all-out majority movement of the people against Britain would bring into play forces that would pass beyond their own self-interest and control. 38 By accepting the murderous terms of partition their weakness was finally manifested. Each "state" had gained the outright right to exploit the

<sup>38</sup> The natural child of their vacillations was passive resistance, which in the form of the be all and end all of the people's intervention, is the curse of present-day colonial movements and caricature of national struggle, with its mouthpiece, Gandhi, a caricature of a man.

<sup>&</sup>lt;sup>12</sup> Only British colonizing "genius" could have conceived this device calculated to build up antagonisms on the basis of secular interests and promote separate communal organizations. The communal electoral divisions initiated in 1906 (coinciding with a period of "national unrest") established separate electorates and representation based on differences of religion for Hindus and Moslems in its early form and after the passing of the 1935 Act provided this amenity for Scheduled (untouchable) Classes, Backward Areas and Tribes, Sikhs, Anglo-Indians, Indian Christians, Europeans, Landlords, Commerce and Industry, Labour, Women, and University, in the eleven Provincial Legislative Assemblies. It was on the basis of this type of election that India was finally carved up in 1947.

new shambles but only by acquiescing in the rigorously prescribed rôle of colony to the general development. In this they wrote off for the people and themselves the enormous industrial potential of the sub-continent, and with it the only positive solution to the acute agrarian and population problems that riddle the country like a plague and drive, with gathering momentum, in the closed over-all perspective to totalitarianization as in Russia, and later China.

#### The Emergency Measures

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the sentpiece, What steps has Congress taken to deal with the detrimental inroads of partitionism into Indian economy? It will be remembered that the British Chairman of the Boundary Commission foresaw the need for "political arrangements" "with which" he magnanimously and democratically asserted "I am not concerned". Like every "formal" democrat, or hypocrite, he was only interested, as we have seen, in autocratic control to bring about the original mess; that done he could happily leave it to others. Congress was not slow in its resort to the necessary emergency measures both economic and political. In the economic field they proceeded almost immediately to the "nationalization", or, more clearly, statification of the basic and more important sectors of industry. The badly sagging economy had speedily to be bolstered up by state intervention with its greater control over the "public" — its opinion and its purse — than is possible to private entrepreneurs. Statification, the regimented economic basis necessary to all totalitarianism, is in India already well under way, and, in fact,

<sup>34</sup> The Times (London, 30th August, 1950) reporting on the work of a commission appointed the year before to advise the Government of India on tariffs and other ways of encouraging economic growth, said:

"The Fiscal Commission was bound to ask whether the 'new protectionism' which it recommends is compatible with the Havana Charter of the International Trade Organization. With a minority of one it has decided that it is, and it recommends that India ratify the Charter provided that the major industrial exporters do so. The calculation appears to be that the tariff reductions which come to Charter members will be valuable, that the Charter will leave India with substantial freedom to impose tariffs and give subsidies. . . But the minority view of the distinguished industrialist Mr. Birla is frankly that the Commission's policy and that of the Charter cannot be reconciled. The emphasis in the Charter, he claims, 'is not on creating new employment by industrialization but on preventing a fall in employment in countries already industrialized'. The principle of reducing tariffs 'cannot be acceptable to any country new in the field. . . . The entire approach to the question of economic development appears to be half-hearted. . . . The underdeveloped countries have all along provided the market for the advanced trading nations, who have built up their economies by innumerable devices of trade restrictions . . . now being denied by the Charter'."

\*\*Unlike the period of "recurring temporary crisis" with its surplus populations

"Unlike the period of "recurring temporary crisis" with its surplus populations always on hand to meet the requirements of ever-new expansions or upsurges of production, this period of permanent crisis is characterized by the "pasturalization" of more and more industrial areas. The areas created to serve as sources of raw materials, having no other purpose, disintegrate. Their populations, unable to find sustenance through the long over-ripe forms of agriculture and on the point of being transformed into an industrial proletariat, become, not a surplus, but redundant. Their sole organic reason for existence — use to capital — gone, they are annihilated by means of genocide, "wars of liberation", and other natural and upportant population checks.

See also "Humanity's Resources and the New Malthusianism"; Contemporary Issues, Vol. 1, No. 3, p. 233, and "A Social Study of Genocide", Ibid., Vol. 3, No. 10, p. 119.

in its very inception contained the threat to engulf the whole of society. The crisis in India is too acute to allow any perspective to a private industrial sector, however unhappy and deluded as to coming events, as in England, America, etc. The eventual "totalization" of the economy and the community is clearly apparent in the following statement by the Finance Minister. Dr. Mookerjee, in his address to the Legislative Assembly shortly

after partition:

"We have divided the matter into roughly four parts. The first part relates to industries or activities which will be completely under the monopoly of the State. This includes Railways, Posts and Telegraphs. industries relating to defence [this is legion! - A.E.R.] production and control of atomic energy. The next class relates to those industries or activities the future development of which will be under State control and ownership. We have included six items here — coal, iron and steel. telegraph and wireless apparatus excluding radio receiving sets, and mineral oils. Now, here, Sir, we have stated that it is not the policy of the Government to take over existing units of industry, but the further development of these industries will be the function of the State. Now, here, Sir, it is the inherent right of the State to acquire any industry that it chooses for national purposes. We have stated, however, that we do not propose to interfere with the existing units of these industries for a period of ten years. During this period, we shall expect that these industries will be efficiently run - not only efficiently run, but that they will be properly developed in accordance with our scheme of Central Planning." Italics mine — A.E.R.]

For the reader who might still have illusions as to the benefits of modern international methods of "nationalization", we look a little further into what the Finance Minister means by the grandiloquent phrase: "it is the inherent right of the State to acquire any industry that it chooses for national purposes." What does "national purposes" include? Are they beneficial to the whole of the community? The following statement from the same speech

will help us out:

"The whole position therefore is that unless all sectors of the people co-operate, we cannot attain the desired end. Here, as the Prime Minister emphasized [!!!], if it appears that later on labour does not play the game, after we have done everything possible that any state can be expected to do [sic], naturally the Government must see to it that labour does not become the real obstacle which acts against the attainment of our cherished goal. Similarly with capital, if after the announcement of this policy there is no response coming from the industrialists or the capitalists, if they continue to find some excuse or other and thereby create obstructions, as the Prime Minister so categorically declared, neither the Government nor the country will wait for the capitalists or the industrialists to wake up. Then another machinery will be found out..."

What in the above categorically emphasized pre-vision is left of the "nation"? Not the workers, not the industrialists (the peasants are a

<sup>&</sup>lt;sup>36</sup> Constituent Assembly of India (Legislative) Debates, 7th April, 1948, Volume V, No. 2, p. 3388.
<sup>37</sup> Ibid.

starvation factor not even mentioned) but — the bare, unadulterated bones of the — State! Those few who in a bankrupt economy rake up any possible profits for their own benefit — against the vast majority of the people. It is the institutionalization of the *final* monopoly.

For the "nation", so clearly alienated in the last quotation, the Prime Minister, Nehru, produced in the Finance debate a balm and a soporific. To account for the disastrous short-fall between "theory" — the sweet rhetoric that brought him into office as a "revolutionary" — and "practice" which puts him out of joint with the community — he developed the

inspired distinction between "poetry" and "prose":

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"I have myself been concerned with the theoretical aspects of planning for a fairly considerable time. [Altogether too long! — A.E.R.] I realize that there is a great deal of difference [altogether too late! - A.E.R.] between the theory of it and the practice of it, as in almost everything in life, the theory is full of poetry as, if I may say so, was the speech of my honourable colleague [Dr. Mookerjee] the mover of the Resolution, but when we come down to applying that poetry all manner of difficulties crop up [such as the nation! — A.E.R.]. Normally there would be these difficulties but as we are situated to-day with the peculiar situation of India after all that has happened in the course of the seven or eight months, one has to be very careful of what step one might take which might not injure the existing structure too much. . . . [Italics mine A.E.R.] Nevertheless, there is a way of approach. Are we going to adopt the course of having a clean slate or sweeping away everything so that we might have the pleasure of writing anew, without anything else being written on that slate? That seems to be an easy way of doing things [a way proposed by Nehru in his more poetic days - A.E.R.] though perhaps there never has been a clean slate even when people imagined that there was going to be a clean slate." [Forgive them Father for they listened to Congress Party speeches for twenty-five years. — A.E.R.]

With every conceivable apology and "good intention" the final state monopoly has flowed over into agriculture as well. The object of the attack was naturally the age-old oppressive practices of the Zamindars. In one

state the "revolutionary" change was defined:

"As an act to provide for the abolition of the Zamindari system which involves intermediaries between the tillers of the soil and the state in the Uttar Pradesh and for the acquisition of their rights, title and interests and to reform the law relating to land tenure consequent on such abolition and acquisition and to make provisions for other matters connected therewith."

The nationalization of the land, as of industry, is done in the form of compensation and state assistance (subsidies, price increases, etc.). The private entrepreneurs are co-beneficiaries and the squeeze as always is on the people. The take-over from the Zamindars will have to serve as a sufficient example of what is involved. The London Times of 2nd July, 1952, writes:

"In future, in this State of sixty million people, most of whom are dependent on the land for a living, ownership of the land will be vested

Ibid.

<sup>39</sup> Uttar Pradesh, Act No. 1 of 1951.

in the State Government. It is estimated that compensation to the State's zamindars will cost the Uttar Pradesh Government approximately £115m., and that, in return, the State will receive a gross annual revenue of approximately £14m., from the thirteen million tenants and cultivators

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who will now come into direct relationship with the State.

"The former zamindars will retain their home farms, regardless of size and certain other appurtenances: otherwise they will take their place [??? — A.E.R.] with other holders of land. Certain landowners will have the right, within limitations, to sell, partition, or even sublet their land, providing that they contribute to the State Government amounts varying from ten to fifteen times their annual rent, depending upon the nature of the tenancies involved."

Now that the State is sole owner of land, besides being in a position to dictate more effectively on the growth of crops (wherever possible "cash" crops for industry), "direct relationship with the State" means that henceforth the peasants will be leeched more ruthlessly and with greater efficiency. That improvement of the peasants' lot was not a consideration in abolishing the Zamindari system is apparent from the following extract from a reply by the Government of Bengal to a questionnaire sent by the

Famine Enquiry Commission on the usefulness of the system:

"The existing system has rendered land revenue almost entirely inelastic for about 150 years and the share which the Government ought to receive from the produce of the land is substantially less than the share in provinces where there is no permanent settlement and where lands are less productive than in Bengal. It has deprived the Government of the benefit of more valuable crops and higher prices and any share in the increases in the value of land due to increases of population and extension of cultivation or growth of towns and the development of trade and industries the benefit of which is appropriated by the few. Government does not get any share in the profit of mineral rights and fisheries in certain navigable rivers."

Incidentally, but for the War, the Zamindari system was to have been abolished, in some States at least, as early as 1940, that is, during the

reign, not of the "socialists", but of the British exploiters.

Upshot of the matter is that total revenue to the Governments of the various states involved is estimated to have increased by Rs. 19.5 crores per annum, while compensation costs to Zamindars for "loss of their rights" is estimated at Rs. 414 crores. Both benefit, after much bargaining and sharp practice of course, and the "socialism" is paid for up to the hilt by the peasantry and people. Compensation and increased revenues will be made good by greater taxes on the cultivators of land who we read:

". . . as a result of rise in prices would appear to have accumulated some savings, though small. The price of agricultural produce being yet high the beneficiaries [sic] from the abolition of zamindars could be rightly called upon to contribute a small amount towards meeting the

compensation costs."

41 Reserve Bank of India Bulletin, Vol. IV, No. 6, June, 1950.

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<sup>&</sup>lt;sup>40</sup> Appendix II, Sec. 2, The Famine Enquiry Commission (Final Report), Government Press, Madras, 1945.

The bold "reform" of nationalization, whether of agriculture or industry, is nothing other than emergency state intervention to relieve the larger industrialists and landlords from threatened bankruptcy at the expense of the masses labouring in increasing misery and by encroachments into the smaller, still profitable sectors of production. That the main and frightening goad is bankruptcy, and its extent, can be seen clearly from the following

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"A recent report issued by the International Labour Office (Industry and Labour, Vol. 1, No. 8, p. 316) says that 'a significant feature of coalmining in India has been a fall in the net annual output per worker from 141 tons in 1938 to 98 tons in 1948, due partly to the need to resort to deep cut mining and a use of depreciated equipment.' In a speech to the Annual General Meeting of Shareholders of the Steel Corporation of Bengal Ltd., the Chairman said that in 1948 the Corporation produced 7,000 tons less of saleable steel than in 1942 although the number of employees has risen from 3,700 to nearly 6,000. Production per head had therefore declined from about 51 tons to about 31 tons, or by more than 40 per cent. (Capital, Calcutta, 22nd September, 1949, p. 479.) The Chairman of the Tata Iron and Steel Company also referred to productivity in his annual speech. He said that the output of finished steel per employee had declined from 24.4 tons in 1939-40 to 16.3 tons in 1948-49. He added that in his opinion this decline was due to the fact that the Indian workman was working below his capacity. (Ibid, 1st September, 1949). This view was challenged by the Indian workers' representative at the third session of the I.L.O. Iron and Steel Committee (Geneva, November-December, 1949) who maintained that machinery in the industry had been used to capacity during the war and was now worn out."

For the "bold" nationalization measures dictatorial political powers are seized by the State as a precondition, and they increase in scope and severity of application as the economy is driven to become more and more that of the State. Every attempt at stabilization is at the same time an act of oppression, for it is achieved and can only maintain itself by killing off living tissue, with the result that more and more people come into opposition to the final oppressor. The constitution framed by Congress is an intensification of the hated laws enacted and used in India under British rule. The great difference being of course that these draconian laws have now been dignified with independent legal status on behalf of the Indian

"nation".

As always conditions were created to justify and ensure the easy passage of these "emergency" laws enacted to meet the "temporary situation". D. F. Karaka in his *Betrayal In India* (Gollancz, 1950) relates how "Our Government spokesmen often referred to 'marauding bands' as if these bands were a normal feature of our Indian life. No one attempted to explain how these bands were suddenly to be found in our midst and how they had access to arms and ammunition in such abundance. It now transpires that long before August 15th [Date of Independence — A.E.R.] unlicensed arms were freely distributed by interested parties. In at least one case so much

<sup>&</sup>lt;sup>48</sup> Economic Survey of Asia and the Far East. Published United Nations, Lake Success, New York, 1950, II.F.I.

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ammunition was removed from a certain arsenal in India that a mock fire had to be staged in order to cover the inexplicable disappearance of arms. . . . Our leaders discounted stories which appeared in the press about the gun-running. They called it yellow journalism. Meanwhile, our own soldiers, defending the refugees, were being killed by modern automatic firearms. The only people who were disarmed by government were the law-abiding. In the streets of Amritsar [a centre of major communal rioting — A.E.R.], within sight of the police and the military, ferocious-looking Sikhs carried threatening kirpans (long swords) and bhalas, which were short spears tied to nine-foot bamboo sticks. But in Bombay, the Chief Justice of the High Court, Sir Leonard Stone, had to get special dispensation from the Home Department to be able to carry a walking stick. It did not make sense."

The "temporary measures" pushed through during the period of communal rioting have now been enshrined as permanent. The necessary machinery was quickly made ready to hand and the way eased for further totalitarian measures. An example was the Armed Forces (Special Powers) Act of 1947 which enabled a commissioned or non-commissioned officer "after giving such warning, if any, as he may consider necessary, (to) fire upon, or otherwise use force, even to the causing of death against any person who is acting in contravention of any law or order for the time being in force in the said area prohibiting the assembly of five or more persons or the carrying of weapons or things capable of being used as weapons. Arrest without warrant any person who has committed a recognizable offense, or against whom a reasonable suspicion exists . . . enter and search, without warrant, any premises . . ." etc., etc. [Italics mine -A.E.R.]4 Those in the slightest familiar with Hitler's Germany, Stalin's Russia, or British Colonial Administration will know how wide the interpretation of this law can be.

Under the pretext of preventing the dissemination of communal literature, laws against the press were introduced early in the reign of Congress, and continue to be passed with regularity:

"Every declaration of forfeiture purporting to be made under this Act (Act XXXIX of 1947, Press (Special Powers) Act 1947) shall, as against all persons, be conclusive evidence that the forfeiture therein referred to has taken place, and no proceeding or order purporting to be taken or made under this Act shall be called into question by a Court, and no civil or criminal proceeding shall be instituted against any person for anything done under this Act or against any person for any loss or damage caused to or in respect of any property whereof possession has been taken under this Act." [Italics mine — A.E.R.]

Prime Minister Jawaharlal Nehru, that great liberal at U.N.O., has the prime function, and the rhetoric for it, of covering up and finding reasons

<sup>&</sup>lt;sup>44</sup> Act No. III of 1948, Government of India. The London *Times* (22nd April, 1951) gives the following report on a demonstration by 5,000 hunger marchers in Cooch Bibar:

<sup>&</sup>quot;... The Government, which has imposed a fifteen-day ban on assemblies of five or more persons, processions and demonstrations, issued a communiqué in Calcutta to-night admitting that there had been a sharp rise in grain prices in Cooch, Bihar. It stated that the police had fired upon 'a riotous crowd which refused to disperse and manhandled administrative officials'."

for every abomination. On the question of the press, we read in the Christian Science Monitor (17th May, 1951) that he:

"declared India's press is the freest in the world but (author's italics) 'there is a limit to the license one can allow' fly-by-night news sheets and a constitutional curb is necessary. . . . 'Freedom carries certain responsibilities, obligations, and discipline', the Prime Minister told Parliament. . . . 'It is a matter of deepest distress to me, day to day, the way these news sheets are poisoning the minds of the younger generation [criticizing Nehru and his journeymen. — A.E.R.]. . . . Nobody thinks of restraining the freedom of responsible organs unless some very fundamental thing occurs'" [like criticitizing!].

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The temporary state of "emergency" once successfully met by the arrogation by Government of extreme powers, all "states" involved were able to engineer the Kashmir stalemate into a permanent situation which can now be turned to justify everything. The disputes naturally had their origins in the arbitrary partition boundaries, but these have been subsequently magnified and sharpened, and the situation of "perpetual threat" has been used ad nauseam to divert attention from acute domestic problems and as a breeding ground for both India and Pakistan to prepare politically and militarily for the day of reckoning with the Indian people. The legalistic quibblings on the question of a plebiscite, with their continual checks and counterchecks always ending in a dead-lock or crisis situation, but never war, allow the conviction to grow that the state is in perpetual danger, and enable Pakistan to maintain an army equal in size to the entire prewar British army, the Indian Union to devote over fifty per cent, of her budget to "defense", and also the smooth passage of totalitarian measures in both "countries". In the process both have "moral" right on their side. Kashmir is the "cold war" of India and Pakistan.

While Kashmir has been made the key-pin of partition and the military forces necessary to maintain it, additional political provisions have been instituted by "states" to make doubly sure of the carve-up. Following on the signing of the Nehru-Liaquat Agreement in 1950 both Governments introduced a passport system between their boundaries to prevent any further migration of peoples, and to ensure the "iron-curtain" nature of the arrangement. A Public Safety Ordinance has even been introduced in Pakistan against anybody alleged to be opposed to the separate existence of this "state", whereby the person may be accused of plotting reunion with India and can, once the Government gives notice to a Magistrate, be held as a political suspect for six months without trial." In these provisions partition is clearly revealed as the mechanism upon which the privileges of the ruling clique in the "states" is based. For this reason, at the same time, it is their most vulnerable point and the one where they can be most effectively undermined by the dissident peoples in revolt.

September, 1952.

<sup>&</sup>quot;The Making of Pakistan, by Richard Symonds, Faber, 1950.

# AN OPEN LETTER TO SENATOR WAYNE MORSE

I

Honorable Sir:

The columns of the New York *Times* of 15th July carry an AP despatch from Washington of unusual interest to all Americans. It relates, unfortunately in a rather cursory fashion, your signal attempts to rid this country of interference by foreign nationals in our own internal affairs. In this day and age, when, from Seoul to Bonn, from Addis Ababa to Saigon, we are doing our level best *not* to plant our proud eagle's claws in other people's sheep runs, it is high time that these same nations, even those most backward in the civilized amenities, entertained a spirit of honest

reciprocity.

According to the despatch, there have come into your possession twenty-three (23) telegrams, all relating "to attempts by the 'China lobby' to influence United States policy". However, you have not confined yourself to abstract denunciation; you have acted. The Times further states that you have asked the State Department to look into the messages "and find out if they were genuine". State, however, with its usually commendable, but this time misplaced, tact, has declined to make the investigation, and the whole matter has been turned over to the Justice Department. Nevertheless, this agential switch has its merits; for the Justice Department, by its fearless investigative zeal and general devotion to duty, has well earned its almost universally-accorded approbation.

Of what do these cable messages consist? "The cables," continues the Times, "were reportedly written by Chen Chih-mai, Chinese counsellor, and Brig.-Gen. Peter T. K. Pee, a military attaché. They were addressed to Generalissimo Chiang Kai-Shek and told of efforts to influence United States Government officials to favor more aid for Nationalist China." A scandalous affair we will all agree. . . . But we — and the Times — are not yet through. Not only have these Nationalist agents dared to meddle in our sovereign precincts. They go so far as to deny in correspondence with you that they were the message originators. It is all enough, sir, to make

every blue-blooded American's blood turn a revolting red.

Now charity is a wonderful thing. We affirm it. Heretofore we might have scouted drastic retaliation. We would have said with Christian patience: gentlemen, thus far — but no further. Now we must say: gentlemen, thus far — is too far. Lies, even of the white variety, are deplorable enough, but things have come to a pretty pass when the lies are directed toward the popularly-elected representative of a sovereign people by the agents of a foreign power. But the greatest visceral shock of all comes upon the realization that these are not just agents of any foreign power, but of a power so corrupt that we had to turn its territorial base as well as its people over to the Benevolent Lord of All the Russias as partial expiation of its sins.

We are justly incensed over the whole business. Indeed, in the first full flush of indignation, we almost let our reason flow away. After a hurried consultation, we had about come to the conclusion that the problem could be solved only in the most simple, direct way. Why not, we leaped, turn the nefarious pair over to Stalin? There the connivers would unquestionably get their just deserts, American justice being notoriously weak in providing effective deterrents. You, however, have restored our sanity. In your indictment of these Chinese agents, the problem has been placed within its proper dimensions. Since the indictment itself is a gem of judicious denunciation as well as being a model for all future cases of this kind, we take the liberty of reproducing it in full:

"I am convinced that the cablegrams which I introduced into the record are authentic. If they are, then these Chinese officials have lied to me.

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If they have lied to a United States Senator, whether it is I [sic] or any other Senator, then they should be recalled by their Government."

We can only say: Bingo! — a splendidly straightforward statement. As a matter of fact, we consider the whole statement so well put and the results of your efforts thus far to be so successful that we have become emboldened enough to unearth other cases of public mendacity. Our motto is your motto: ecce signum! And — as the man says — let the chips fall as they may!

Which brings us, at long last, to the substantive point of our letter to you. We have already unearthed a case. This case is in many respects similar to the one handled so deftly by you. In the first place, it unquestionably involves an unparalleled example of outright lying to a responsible official. In the second place, it was not just any responsible official that was deceived; it was, if you please, a member of the United States Senate. But this is not all. What is more, the lie was told to the same United States Senator as in the previously mentioned case. In short, Senator Morse, the lie was told to you.

Like any analogy, however, the parallel between these two cases can be pushed too far. Even a cursory scrutiny reveals several significant divergences, both in their nature and in the manner in which they were handled. Leaving our satire entirely at home, we must say: the first case involved lying by the officials of a country literally fighting at the time for the very right of existence, a country whose shabby treatment at the hands of America is unsurpassed in the annals of Machiavellian diplomacy. The case we are about to present, on the other hand, involved a total and carefully calculated lie by a domestic official, the civilian head of the Department of Defense, Mr. Robert A. Lovett. It concerned a matter of immense import to every American who cherishes his freedom and wishes to retain it, as well as those who take their freedom for granted and are unaware that they are losing it.

But the divergences between these two cases do not end here. The first example of deceit was attended by prompt and vigorous action; there are to be investigations, more investigations, and, above all, the baleful glare of publicity. The case we are about to present, however, was attended only by a monumental, if revealing, silence. As of this writing, despite the fact that Lovett was branded as a liar in the press more than five months ago, the

silence still reigns. It is the silence of a Siberian-like wasteland, broken

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only by the nascent groans of a once-free people.

This is not just rhetoric, Senator. Listen very carefully to what we have to say; we are as sincere as men can be. We will either prove what we have to say, or we will furnish you with material that we believe can be substantiated easily through investigations of your own. It is only common decency, however, to tell you from the outset that we believe that you are acquainted with all the facts which we shall proceed to outline. Nevertheless, we cannot be sure. Our purpose in writing this letter is nothing more or less than to ask: are you acquainted with the following facts which we believe without question to be true? If so, why have you not acted? If not, will you act?

#### H

On 20th January of this year, in his column which appears in various newspapers throughout the country, Drew Pearson informed the American people of the widespread use of the polygraph as an instrument of security within the Department of Defense. This was the first inkling that the American people had had of what for a long time has been a matter of common notoriety around Washington. Pearson's column was prompted by charges which you had brought against Lovett in person at the year's first closed meeting of the Senate Armed Services Committee. What interested us and gave us hope as to a possible rectification of the whole fascist affair was the apparent intensity of your feeling on the subject. Pearson described you as "plain-talking Wayne Morse", and quoted you as saying directly to Lovett:

"'If what I have heard is true, it is fantastic. . . . I am told that when a civilian applies for a key job in the Defense Department, a personnel officer tells him: "Your security clearance would be hurried

along if you would volunteer for a polygraph test."

'That's a lie detector,' explained the Oregon Senator, slamming his hand on the table, 'and there's nothing voluntary about it. Either that man takes the test, or he is conspicuously marked as unwilling. He goes into a semi-dark room, where the operator, a dramatic looking person who acts like he's playing a Sherlock Holmes mystery, straps the machine

on him, breathing suspicions.

'We've come a long way since the Bill of Rights,' stormed Morse. Why, the lie detector is not even admissible in some courts, because it's too capricious and too much depends on the operator. This shows how far we've gone. It used to be that one of the basic rights of American justice was the presumption of innocence. But in the Pentagon you are presumed guilty unless this high priest and his machine decide otherwise.'

'I, too, am familiar with this case,' commented Senator Russell soberly, 'and I believe the Senator from Oregon is right. This is fantastic.'

Lovett had little comeback.

'I agree, if that is the way applications are handled,' he said, and promised to check with Assistant Secretary Anna Rosenberg."

And to the above Pearson appended the following laconic words:

"Note: Lovett went back to the Pentagon and ordered all use of lie tests by the Army, Navy and Air Force discarded."

Now we felt sure, of course, that Lovett was hardly at his most candid when he pleaded ignorance to you about the use of the polygraph within his agency. Are we (or anyone else) expected to be so stupid as to believe that the head of a department, whose primary responsibility is the security of the armed forces, is unaware of the principal instrumentality of security within his own department? But that is neither here nor there. As for the rest, we believed, quite in keeping with the traditional gullibility of the American people, that when a ranking member of the executive branch of the government made an explicit promise to a member of Congress, his integrity could be relied upon. Within a week after Pearson's column appeared, however, we realized that our sighs of relief were premature. We can state categorically that not even for one day did the clicking of the polygraphs cease at Arlington Hall and apparently not at the U Street address where newly employed Defense Department personnel are processed. It took Pearson a little longer to discover that he, too, had been deceived. But finally, on 1st March he reported the following under a column heading entitled "Double Talk Ascribed to Lovett":

"Secretary of Defense Lovett did some neat double-talking recently

when he promised Senators to abolish the lie detectors.

What happened was that Sen. Wayne Morse (R. — Oreg.) called Lovett on the carpet before the Senate Armed Services Committee after discovering military investigators were using lie detectors on loyalty suspects. . . . Following which Lovett promised to stop using them.

In contrast, here is the actual order sent out by Lovett: 'I desire that all use of the polygraph (lie detector) for preemployment and security clearance purposes within the immediate Office of the Secretary of

Defense be discontinued.'

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A Defense Department spokesman admitted to this column that the Secretary's 'immediate office' includes only 9 civilians and 11 military personnel. In other words, the lie detector cannot be used on the 20 people in Lovett's 'immediate office', but is permissible anywhere else in the Defense Department.

Result is that lie detectors are still in use as much as ever, though

Lovett publicly gave the impression they would be outlawed."

When this column first appeared, our reactions were mixed. While a substantial residue of anger still remained, in the main we felt more in the mood for cheers. For a good many years we and numerous other interested observers have watched with mounting concern the steady and apparently inexorable growth of the executive branch of government and especially its military adjunct. Along with its growth and partially because of it, there is revealed a concomitant trend toward the bureaucratization of all areas of public and private life, towards the creation of a permanent, state-oriented, war economy and a vested interest in chronic crisis. In the wash of this enlarged system of organized irresponsibility, with its definite anti-social animus, America has become afflicted with the curse of administrative secrecy to an egregious degree, a trend against which Congress and the press have been largely impotent; indeed, at times they take on the appearance of conspiratorial jurtior partners. Practically all that is left of the Congressional power is the formal howl, and the more and more circumscribed right to haggle over the terms of their own capitulation. V. I. Lenin's comment of thirty-five years ago, observable then to be true only as an accelerating tendency, has become an accomplished fact: the great Congress of the United States, once a real locus of popular sovereignty, has become an ordinary parlamentskaja govoril'nja, a talking shop, selling itself piecemeal or in perpetuity to whichever arm of the executive that wishes to have its general or specific interests pushed.

Pearson's exposure of Lovett opened vistas for us. Not only did it appear to be possible to abolish the polygraph once and for all. Lovett's lie also appeared to afford the possibility of initiating a reversal of the trend toward executive usurpation. We had been disappointed on the occasion of Pearson's first column that you had chosen to bring your charges at a closed meeting. Later developments put a different face on the whole matter. Here was the spectacle of a high official caught publicly in a calculated lie to a member of Congress. An audience of millions was there, so to speak, when Lovett made you out to be an ass. It was no longer a question simply of the principled rejection of an instrument for totalitarianizing America. Your very self-respect as a man was at stake. How could you afford not to seek the road of public retaliation? Or so we reasoned. Unfortunately, however, we reckoned without the strange supineness of legislators, even at the expense of a compromised dignity, in the midst of an emerging American fascism.

But at the time we did not realize this. And so in a mood of hope we waited for the counter-attack from "plain-talking Wayne Morse". Winter passed. And so we waited. And spring came, and the rains came. And so we waited. And spring passed, and the summer came, and we sat in the heat and asked each other: Where, oh where is "plain-talking Wayne Morse"? And then, while we waited, we were suddenly haunted by a rhyme from the nursery:

Bow wow wow!
Whose dog art thou?
Little Tommy Tinker's dog.
Bow wow wow!

Where was Senator Morse? We will tell you. He was where any brave man should have been. He was out in the backyard at the servants' entrance, straining on the end of his leash, harassing the pitiful remnants of a once-promising nation. But Mother Goose is silent on one substantive point: properly chastized mutts never, never bark at their masters.

#### III

If our approach is unfair, we hereby offer you an unqualified opportunity for redress. We might have made a mistake. For one thing, it is possible that you were not even aware at all of the employment of the polygraph in the Defense Department. In such a case, however, Pearson's whole first column must be accounted a complete fabrication. Pearson has been labelled a liar on numerous occasions, most notably by two presidents of the United States, which in itself would be authority enough were it not for the fact that the two in question were splendid liars in their own right. There is also the possibility that you do not bother to read the newspapers, in which case you would have missed Pearson's second column branding

Lovett a liar. We can hardly blame you for this. Indeed, in some respects, a person would remain better informed if he didn't read the newspapers. If, therefore, we have erred, we wish to tender an apology from the outset and, in addition, to place as much information on the use of the polygraph as possible in your hands, so that you can proceed to do your duty as a responsible legislator.

First, we would like to correct some of the misleading impressions which are given by Pearson's column. He quotes you as saying that only civilian applicants for key jobs in the Department are required to take the polygraph test. Actually, the polygraph test is administered to all employees of the Department of Defense (and of the Central Intelligence Agency) from scrub women to instructors in Viet-Namese. Sometimes this is done before employment, sometimes after employment, but always before he or she is actually put to work. Secondly, Pearson gives the impression that the polygraph is only used on "loyalty suspects", thereby implying that it is an auxiliary to the usual F.B.I. effort, that the F.B.I. first checks his record thoroughly and then only if the individual is found wanting is the polygraph administered to prevent a miscarriage of justice. This is absolutely untrue. It must be thoroughly brought home to all concerned that the polygraph itself is the primary instrumentality for security clearance, and that the ordinary F.B.I. leg work is the ancillary feature. Up until the latter part of July at least, it was the rule that if you did not meet the machine's requirements, it was impossible to gain clearance. If you failed to pass the test before you were hired, you were simply not hired. If you failed to pass the test after you were already hired, you were not fired but neither would you be put to work. The F.B.I. would then begin a check in earnest. In the meantime, according to all the information we have received, the individual simply signed in every day, drew his pay and, in lieu of any real work, was shifted about from one superfluous course of instruction to another. The apparent hope of the administrators was that the individual would become discouraged and resign, thus freeing everybody concerned of any unpleasantness. Perhaps in some cases the hopes of the administrators were realized, but, as was probably to be expected, there was a small coterie who continued to hold their ground. Whether this was due to sheer stubbornness, to the knowledge that to resign before clearance was effected would make it next to impossible to obtain another government job, or to the steadily receding illusion that the much bruited about American passion for justice would eventually vindicate their record, we do not know. But, in any event, this was the situation that obtained until the latter part of June, in this Year of Our Lord 1952.

Then on one fine June day the axe fell. There was a purge of all uncleared personnel who had been with the agency more than nine months. (Rumour has it that some had been there for as long as a year and a half.) How many purgees were in this severed group? One informant places the figure at around fifty, but from information we have received this appears to be an exaggeration. Another informant who knew someone who actually saw the group gathered prior to the axing, reports that it numbered around fifteen or twenty. But we will not quibble about figures. The people in this one grand purge were only the residue of a ceaseless purge. How many were purged before they were even hired? How many people were, in effect,

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of the ot for right. papers, anding purged when they tired of the runaround and resigned voluntarily? How many were purged because of "emotional instability", whatever the term means? By far the greater number of people who are asked to resign, we understand, come under this vague rubric, but we are unable to determine what part the polygraph plays as a basis for the finding. The figures above give no indication of these groups. Nor do they give any indication of the number of people who are asked to resign, when the lie detector and the F.B.I. in conjunction discover that they have blackmail backgrounds or unsavoury connexions. (Incidentally, one informant was almost definite in relating to us an "amusing" incident which must have caused wholesale panic, and strikingly points up the limitations of the polygraph even as it relates to officially announced aims. It seems that one man had passed the polygraph test with flying colors, only to be confronted a few months later while on the job with indisputable proof by the F.B.I. that he had had Communist-front connexions! He was, needless to say, forced to "resign" in a hurry. If you are a parent, Senator Morse, then we would like to address to you a solicitous note: Do you want your children to survive in our brave new world? Then pattern your pedagogy and psychic nursing after the example of this young man. Train them, if you please, to be chronic liars. Natural selection and all that should give us by 1984 a perfect refutation of all pessimistic predictions.)

But, you may ask, how do we know that the people purged were not Stalinists? This is the inevitable question, and we suppose that we must meet it. Actually, it will not be a waste of time at all, but will afford us an opportunity to squash this vicious argument once and for all. In the first place, the very persistence of these people, their very inability or unwillingness to face the fact that they had been stigmatized as disloyal to their country, argues in their favor. We have heard of one person who took polygraph runs on four separate occasions. He continued to volunteer and re-volunteer, but was never able to furnish an acceptable pattern. We ask you, Senator: what manner of government is this that will make its people crawl to prove allegiance? And then when he has crawled, still spurn him?

Another purgee was reputed to be an out and out "reactionary", who, before he himself had unburdened his soul before the impersonal inter-locutor, had roundly denounced all those who expressed doubts as to the wisdom and propriety of its application. This is reported to us as the

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Secondly, there is the matter of the length of time that these people had been with the agency — all longer than nine months and some for as long as a year and a half. Long experience at the agency (and please understand that the benefits of this collective experience are passed along to each wave of new arrivals) has confirmed the impression of all personnel that, if you are not asked to resign before the end of the fifth month, then that automatically means that the F.B.I. has not been able and will not be able to find anything compromising in your background. As a matter of fact, several cases were recited to us of people who, when they had failed to present a satisfactory polygraph pattern and were sent to the "Basement" at Arlington Hall or to the various courses of superfluous instruction on U Street in Washington, lived in a state of constant tension until the passing of the fifth month, at which time they felt free to relax. They knew that they were

home - free from F.B.I. reprisals, even though they might never be given clearance.

Thirdly, there is the little matter of the pretext for the purge and the manner in which it was conducted. It is a commonplace among agency personnel (as well as throughout government service as a whole) that, when the F.B.I. has investigated an individual's life history and found it unwholesome, his resignation is immediately demanded. If he refuses, then proceedings are instituted to have him fired; a course of action which the agency regrets since it might lead to publicity and other unpleasantries which the true bureaucrat looks upon with horror. The demand for a resignation, therefore, is the invariable rule. The June purgees, however, were not asked to resign. They were all called in for little chats, where it was explained to the point of mutual nausea that, while the sorrow of the Defense Department knew no bounds, there simply weren't enough funds available to retain them in idleness any longer, and they must be severed from the payroll. Technically, they were to remain employees with a status of leave without pay. It was promised that the F.B.I. would continue to make every effort to clear them, and when this was done, they would again be placed permanently on the payroll. Each person was given a month to make the adjustment. In addition, each person was given a letter explaining the agential reasons for severance, which the purgees were free to show to any other government bureau or private business in seeking employment. The facts as outlined in the letter were substantially the same as those outlined above. While we have not seen any of the letters, nor have our informants, their content is a matter of common information throughout the agency. It was reported to us by people who do not even know each other. A minimum of investigation on your part will easily verify our statement.

Our fourth argument we have deliberately saved until the last. It is the clincher. After all the months of polygraph runs, all the exhaustive investigations by the F.B.I., all the months of heartache and tension and worry, after all this — within a few days after the promulgation of the purge order, clearances began to come in on these very same people we have been talking about. One by one our "Stalinist agents" were given a clean bill of health. It is the most preposterous situation we have ever encountered! How many of our purgees were turned into acceptable citizens in this manner? How many remained under the stigma of having Stalinist predispositions? We do not know, but from all indications substantially more than half became respectable by the one stroke. Indeed, the general consensus seems to be that only a "mere" handful, perhaps five or six, were dropped towards the end of July under the original policy. We do not know the reasons for this partial reversal of policy. One young man, who, even though he is well into his twenties, evidently still believes in fairy tales, miracles and the stock-in-trade of professional liberals, feels that the reversal was due to outside intercession. Other more practical speculation centers on a theory of cleavage within the bureaucracy. It is rumoured that the original purge order was promulgated by the administration in order to shake those responsible for security out of their attitude of complacent suspicion. If this theory be true, then in effect the purge order actually read: here are fifteen (or twenty, or fifty) people that we are tired of

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carrying on an unproductive basis; you have one month to clear them or they will be turned out. Was the security organ afraid of turning loose so many people at one stroke, with all the attendant publicity that this might

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We do not know. But we do know this. If there had been even the slightest evidence that these people had been Stalinists or had held Stalinist theories (or even Marxist theories) at any time, or had been members of front organizations, or of organizations which had contained any Communists, or if they had had subversive relatives, friends or acquaintances, or if they had been subject to blackmail in any form, etc. — then they would never have been cleared. It shows the whole polygraph program up for what it is: a stinking fascist brew, the mephitic odors of which are assailing the nostrils of every honest man in even a remote proximity to the cooking scene. All of these people were mentally tortured, and some of them denied jobs, not because of anything they had done, but because they were statistical abnormalities; they were "individuals" who did not react to the machine in the "normal" manner. That they had good grounds for thus reacting we shall show on the following pages, when we discuss the way the tests are conducted and, above all, the questions which are asked.

#### IV

We have already pointed out several inaccuracies in Pearson's column. He gives another misleading impression when he quotes you as declaring that there is really nothing voluntary about the polygraph test: "Either that man takes the test, or he is conspicuously marked as unwilling." The implication is that, while the agency frowns on all refusals and in various and sundry ways makes this known to the individual as a form of coercion, they really have no recourse in the end but to accept his stand if he persists, and to put him on the job once he is given a regular check by the F.B.I.

This is most decidedly untrue.

What is the true picture? We shall do our best to reconstruct it for you, from start to finish, on the basis of the evidence we have received. Those who reside in the general Washington area and thus are able to come in for a personal interview before they are hired, are asked to "volunteer" for the polygraph before being put on the payroll. If they decline to take it, then the answer, of course, is: Sorry, there are no jobs available. Those who reside beyond easy travelling distance from Washington and are consequently hired solely on the basis of the stereotyped qualifications embodied in the Civil Service manual, are asked to "volunteer" three or four days after employment. They are taken four or five at a time to hear a personnel officer explain that, due to the tremendous burden on the F.B.I., which has put them months behind in their investigating activities, the Department of Defense has decided to introduce a more rapid expedient on a temporary basis: the polygraph or "innocence detector". (We swear to God this term is really used, no doubt in hopes that it would be an effective euphemism!) Otherwise, continues the officer, it might take a long, long time before clearance could come through and the individual be assigned to his tasks. At the end of his little talk the personnel officer repeats the final lie: he wants it to be understood that the test is strictly voluntary. At which time he passes out little slips for the victims to sign, declaring that they have elected to take the test by their own free will, and that they will not divulge to anyone the fact that they have done so. All the while the victims themselves are inwardly cynically sneering, for the administrators have taken steps beforehand to make sure that there will be no holdouts. They have passed the word down that those who are recalcitrant will never be cleared and will never go to work. This fact is known by all personnel before they are at the agency more than two days. If the individual doubts the ordinary scuttlebutt, all he has to do is ask any of the orientation personnel. At first they will look at him sharply to see if he means the question seriously, then they will grin slyly and say: What do you think? (There is only one saving grace to the whole affair. The general consensus seems to be that the personnel officers are ashamed of their rôle in the duplicity and cannot bear to look their audience in the face. This should be noted well. The American counterpart of little Soso Djugashvili comes into the world bare-bottomed and, what is more, blushing! And therein lies the only hope. The old saws have it: "Spare the rod and spoil the child." We have great respect for our elders but here are forced to register a dissent: — this child must be beaten to death!)

In the face of all this pressure, have there been any recalcitrants? We suggest, Senator, that you make a little trip to the "Basement" at Arlington Hall. There you will probably still find several dejected specimens who took official American democracy at its word; they volunteered not to volunteer. Periodically, to brighten their days and break the dismal monotony, they receive deputations from the bureaucracy, who solicitously inquire if they have thought the matter over and elected to change their minds. As of the last count a few months past, this endless routine of hopeful interrogation and repeated rebuffs had been going on with some for eighteen months. Just ponder this, Senator. Here are people who practically "admit" their guilt, who actually invite the most thorough secret police investigation possible. It is obvious that absolutely nothing of even the slightest incriminating nature whatsoever has been found; otherwise, they would have been ignominiously severed. Yet there they sit. A more adequate testimonial to

the main drift could hardly be found.

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These people were well-advised when they elected not to take the test. With their manifestly independent minds, they would undoubtedly have failed it flat. Indeed, it is difficult to understand how anyone with a sensitive, critical mind who has ever taken a political stand, even only theoretically, along any but the most rigidly orthodox lines, or, believe it or not, even along orthodox lines, could pass it. Applicants are taxed with a series of the most preposterous questions it has ever been our pleasure to encounter. Mr. Kingsley Martin, editor of the British New Statesman and Nation, in a recent letter to the New York Times (22nd June), expressed his alarm at some of the questions listed in a questionnaire sent an academic friend of his who had sought employment with the Federal Government. Mr. Martin really doesn't know anything. He saw a more or less public questionnaire. To get the most outstanding shock of his life, he should sit in on a polygraph session at Arlington Hall.

When the hapless victim is called into the Inner Sanctum to meet his mechanistic inquisitor, the human interlocutor first invites him to what he

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terms a "meeting of the minds". It is explained that the Department is interested in knowing two things: whether the employee is a loyal American and whether he is subject to blackmail. All questions (with the exception of the control questions) fall into these two categories. To make certain that the victim will not misinterpret the questions on the actual polygraph run, each one is read aloud and the individual is asked if he understands it. An occasional investigator for some distorted reason cannot resist dwelling on the more humiliating questions. The following colloquy, for example, was reported by one informant:

(Interlocutor): Are you a homosexual? Now, do you know what a homosexual is, Mr. ———?

(Victim, startled, delays answer): Yes.

(Interlocutor): You do? You're sure you do? Can you define what a homosexual is?

And the poor victim, surcharged with indignation almost to the point of physical sickness but afraid to prejudice his case, could only oblige.

The personality of the machine "attendant" as an obtrusive factor in the polygraph results can hardly be overestimated. Most informants report that his very manner is enough to occasion alarm. The victim's simplest questions, even those designed to relieve the unbearable tension, such as questions concerning the mechanics of the polygraph, are followed by long and suspicious probings as to the victim's motives in asking. At times this unnecessary generation of alarm seems to be due to clumsiness, stupidity or incompetence on the part of the operator. At other times it appears to be due to deliberate techniques of the polygraph craft. During the "meeting of the minds", for example, the individual is told that the detector is a very sensitive mechanism, and if anything is "bothering" the individual, he is urged to get it off his chest. His apprehension greatly augmented, the victim searches his mind for even the most trivial moral laxities and lapses from political orthodoxy. In revealing them, he becomes disgusted with his own panic. It is felt that his confessor is secretly laughing at him (which he undoubtedly is). His superficially imperturbable mask becomes the most odious face he has ever encountered. But then the uncomfortable thought occurs: does he know that I hate him? Does it show? Revelation after revelation is presented to curry favor, all of which is duly recorded in the dossier. And thus begins anew the cycle of disgust, wild panic, and further revelations, until the individual is little more than an abject beast cowering behind the woodshed. Long before the actual polygraph run, the whole "sordid" history of this American who thought he was free is revealed and written down forever. In most cases, the actual polygraph run itself is a superfluous formality, a mere proof that the threat was serious; its very imminence is enough to accomplish subjugation. But not always. There are a few who refuse to capitulate during the first "meeting of the minds", despite their frantic apprehension. But if defeat does not occur then, it will after the first polygraph run, when he sees that his impersonal examiner cannot be beaten. If not then, at the third "meeting of the minds". But defeat is guaranteed. Nevertheless, while the individual cannot beat the machine if he has even the slightest sense of guilt (inculcated, in large part, by the examiner), the very fact that he proceeds to purge his soul of all politically dubious acquaintances and all moral and political indiscretions

does not automatically mean that he will be free from reactions to the questions on the actual polygraph run. Quite the contrary. As we shall see later, anxiety often is retained for no knowledgeable reason. Some are so overwrought that they react to all questions more or less impartially, even those control questions concerned solely with their own names.

From talks with a reasonably large sampling of people we are here able

to reproduce a typical polygraph series:

Are you now, or have you ever been, a member of the Communist Party? Have you ever been a member of any Communist or Communist-front

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Did you tell the whole truth on your Personal History Statement? (The Statement referred to is an approximately ten page application form,

including supplements.)

Have you ever done anything which would subject you to blackmail? Have you ever revealed classified information to unauthorized persons? (Since everything at the Agency is classified, even the questions culled from newspapers on orientation current events quizzes, this question means in effect: have you told your wife or anybody else anything at all of what you have done from the time you left for work until you arrived home?)

Are you a homosexual?

Have you ever taken dope?

Have you ever done anything that you were ashamed of? (We are

rendering the actual phraseology exactly.)

Would you mind having your mother take my place at the machine? (This question is asked of unmarried men and women. For married men or women it is phrased thus:)

Would you object to having your wife (or husband) take my place at the machine? (Incidentally, neither this question, nor the two preceding ones, are mentioned at all in the previous session, the so-called "meeting of the

minds".)

And then there is one question that all our informants declare was once asked, but which is no longer asked at all because it caused such an uproar:

Have you ever had sexual intercourse with a negro? (You should know, Senator, that the words sexual intercourse and negro are our own terms, which were substituted for others to make the passage printable.)

None of our informants were asked the above question, nor do they personally know anyone who was asked, so we label it strictly as a rumour which, however, is believed by all agency personnel who have heard it (and, believe us, it enjoys wide currency.) Frankly, to us it seems too preposterous to place much credence in. If it was asked, it must have been an innovation of an individual examiner, meant to serve as a vent for his perverted impulses, or perhaps as an "eccentric" control question. It is obvious that if an individual had committed such a "disgraceful" act, and was ashamed of it, he would have had to report it to the interlocutor anyway. We report this question for only one purpose: to show the extent of the demoralization induced by the polygraph. If so many people could credit such a rumour with being true, it reveals better than any words of ours what the people at Arlington Hall think of their agency's principal security instrument. Actually they have good reason for believing the worst of their

inquisitors. There is another rumour of widespread currency involving abuse of the "confessional". One married woman had revealed to her examiner that she had engaged in an extra-marital affair. It is recorded that the examiner later hunted her up and threatened to inform her husband if she would not reciprocate his advances. But his little game of blackmail backfired. Not only did the woman refuse; she went to his superiors and reported the incident. He was, we are told, fired. That was one case. Were there any more which were not reported?

And then there is one question designed to check the individual's orthodoxy which is a real gem. It is asked all employees or prospective employees,

and we reproduce it exactly:

Are you now, or have you ever been, sympathetic to the theory or practice

of communism?

Notice, if you please, Senator, this question does not concern itself with actions of the individual or even his beliefs — only his "sympathies". And not just now, but at any time, even in the remote past. Is the individual's intelligence outraged at the equation of Utopian Communism or Marxism with the vulgar tripe that is vomited wholesale to-day in Moscow? It is not a matter of believing in the efficacy of these doctrines, Senator. It is a matter of being sympathetic with their aspirations and their completely democratic pretensions, of admiring the cleanness of their theorizing. Is he expected to condemn the whole Social-Democratic movement, which was one of the most progressive forces in Europe? Is the victim's historical sense outraged at the complete qualitative equation of early Bolshevism with the sinktrap of Stalinism? Bolshevism had more than its share of faults, but to condemn it wholesale is to display either ignorance or dishonesty.

But these are admittedly uncommon objections which were made by carefully discriminating people. There is a more fertile field for objections, an examination of which could only point an indicting finger at the government itself, now trying to escape responsibility for its own calculated irresponsibility. Americans, just as with any other people in the modern world, are absolutely dependent upon the mass media to provide them with a picture of the world beyond their immediate ken. That is no secret. It is also no secret that from 1941 to 1947 (and even later) the American press, inspired by the official handout and the mandatory line, was engaged via one nauseating hoax after another in creating the illusion that Stalin's régime was not what it always had been and always would be. His democracy was only a "different kind" of democracy. He was "Uncle Joe", who loved the peasants like his own; indeed, he was nothing more than an ordinary Gruzian muzhik himself, with all that worthy's solid and amiable, if eccentric, virtues. If the individual managed to excrete this poison and thus escape with an unwarped mind, it was probably because he was completely apolitical or because he managed to acquire the truth in spite of the stultifying mesh of cynically disseminated falsehoods. Happily, the average American mind is remarkably resilient. Its capacity to execute the most intricate ideological flipflops is second only to the confirmed Stalinist's. When the line changed vis-à-vis Russia, Joe Doakes changed too, though not always without genuine soul-searching and awkward hesitancy. Now he finds, much to his chagrin, that he is to be punished, not because he was unable to accept the second truth, but because he was dupe

enough to accept under pressure the first total lie.

We are not spouting nonsense, Senator. The objections are not our own; every instance cited in the preceding paragraphs was supplied to us by people who were actually subjected to the polygraph test. Of our informants only two were free from reactions to this question. Some reacted vigorously, and when they did, they also tended to react to other related questions, such as those involving membership in the Communist Party and the truthfulness of their Personal History Statement. Of the two who failed to react, one admits that he is the phlegmatic type. Moreover, he was successful in his dogged efforts to force the interlocutor to qualify troublesome questions, such as the one above, and refused to be disconcerted when all his objections were openly recorded in his dossier. The second person is decidedly nonpolitical, and if she does possess any moral blemishes, they do not rest heavily at all on her conscience. Luckily, she has never had the remotest political thought. Having never had a political thought, she could never have taken a political stand. Having never taken a political stand, she could never have acquired a secret shame from agreeing with the Reds, since it is a matter of common notoriety that they have, at one time or another, adopted every conceivable position in the book.

Even this, however, would not necessarily have saved her. We know of one man, almost completely without politics, who reacted vigorously. Why? His explanation, while "crude", is right to the point: If you walk up and ask a man, no matter how nicely — are you a son-of-a-bitch? — then you will get a reaction. It might be an overt one, in which case you can pick yourself up off the ground. But you will get a reaction, all the

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anged kward We have mentioned that all but two of our informants reacted to several questions on the test. Yet they were all eventually cleared. Why were they cleared when so many others who failed to give a satisfactory pattern were not? Not having had any statistical experience, this puzzled our informants greatly. But the explanation is simple. While they reacted with spirit to some of the informative questions, they reacted even more spiritedly to the peak control question which accompanies every run. There are two kinds of control questions. The first kind are completely innocuous and should cause no reaction whatsoever (your name, address, etc.). The second type is designed, simply by virtue of its being asked, to scare the living hell out of the victim, or else to make him boiling mad at the impertinence of the interlocutor. This question is usually delivered in a rising crescendo, with all sorts of sinister implications. With women it goes like this:

Now, Miss ----, I'm going to ask you a VERY EMBARRASSING

QUESTION! With men there is a slight variation:

Now, Mr. ——, YOU'RE going to get the SIXTY-FOUR DOLLAR QUESTION! Thus, no matter how much the individual reacts to troublesome questions, if he manages to damage his adrenals on the peak control question, if his chart shows an even more jagged ridge here, then he is presumed to be a loyal American with a good healthy respect for the American Way of Life and the principles of the Department of Defense.

There is only one drawback.

If, for some reason, the fear of God is not thrown into you by the control question, your goose is cooked. You are presumed to be a potential

traitor with no rights worthy of consideration.

That, and absolutely nothing else, is the sum and substance of the story of our previously mentioned purgees. They failed to fall for a cheap trick.

#### V

Senator, we are genuinely alarmed over the whole business. It is absolutely imperative that we communicate this alarm to you, and that you take effective steps to root out the tumour before it metastisizes. It took almost fifteen years completely to turn Soviet Russia into one vast prisonhouse of peoples. How long did it take to translate and transfer the matured techniques into Eastern Europe? The child is born, it develops, it breeds and the world is overrun with monsters. Do you really believe. Senator. that they will stop, that they can stop with the Department of Defense and C.I.A.? Logic defeats you before you can answer. There is hardly a single branch of government or a single facet of industry that information about which would not be of inestimable value to the enemy (and, we might add, to the dispossessed public, the real "enemy"). Wars to-day - we do not mean the sham ones, as in Korea — are total wars. Stalin, being a logical man, has turned the whole of Russia into one vast unpoachable preserve of administrative secrecy. Why not a polygraph staff in the AEC? Why not one in the State Department? Dupont? GM? GE? RCA? Warner and Swasey? The physics department of Columbia University? The list could be extended indefinitely. Why go through the protracted procedures involved in a criminal action? Let the polygraph decide. Even within the Department of Defense, a proper use of the potentialities of the polygraph in achieving total security makes mandatory its extension to other government agencies. Already in their security sessions there is anxiety expressed that even loval employees tend to talk shop too much and thereby give aid and comfort to the enemy. And one middle administrator has expressed his private opinion that only by a polygraph session every six months could this deficiency be remedied. There is, however, only one drawback. The employee turnover, already notoriously high, would turn into a pell-mell rout. Only when the hatches are battened down and all escape routes plugged, only when intragovernmental conditions are equalized, can this scheme be practical.

The conspiracy of silence in the press and in Congress attendant upon the introduction of the polygraph in the Department of Defense reveals how easy the process of transplantation to other areas will be. After all, under this regimen, the individual could scarcely complain of being treated in the Russian fashion. The objection to primitive totalitarianism, so dear to the heart of liberals, that Americans would be led to compete invidiously in the game of mutual informing, is satisfactorily met for the first time. To have Neighbor Smith report on Neighbor Jones is rendered redundant, since each has already informed on himself. Such is the stuff of progress. Moreover, if the polygraph does make a mistake, there is this consolation: it is a mistake of a simple statistical order, impersonal, and reflects no hostile animus at all. If it is an injustice — well, at least it is not the injustice of interested bloodhounds. The selected sacrifice to slavery would not be tried in absentia by biased men; he would be there with his judge

at all times; his blood pressure, his breathing rate and the intensity of his saline ejection being impersonally recorded. Thus is a free people defeated — not heroically, not by the imposition of superior force, but by the vicissitudes of its own body chemistry! We are on the threshold of a

veritable Orwellian paradise.

It is facile, of course, to exaggerate the degree of America's totalitarianization at this point. The nervous twitch that is slowly settling over the limbs and lids of a comatose and unresisting America is but a nothing compared to the terror tics of Eastern Europe and half of Asia. But development proceeds apace, and the large-scale introduction of the lie detector as an instrumentality for regimentation cannot be dismissed as a mere precocity. When a nation launches out on a path trod by others before it, it is uninhibited by the survival power of outdated techniques, and can avail itself of the most advanced forms. Thus, in an age of economic expansion, England choked on her own pioneering achievements, while Germany and America made those same achievements stepping-stones to industrial supremacy. Our arteriosclerotic age has its own pioneer in the shape of Stalin. But "progress", the steady refinement and elaboration of techniques, however anti-social, will not down. He, too, will be, sooner than we think, old stuff - a mere museum piece in an antique chamber of horrors. Is it not significant that, as far as we are aware, no refugee from the Eastern Nightmare has reported a confrontation with the polygraph? The argument that Stalin is too poor to afford them would be an excellent one, if it were not for the fact that on no other occasions has he shown a reluctance to spend lavishly for repression. But even if the cogency of the exception be granted, there is an irony here which impulsively asserts itself: America, the country with the greatest potential of all for influencing world social reconstruction, the country so plagued with superfluity that it must senselessly prolong wars with third-rate powers and declare sixty-day moratoriums on steel production (euphemistically called strikes) — this is the same country that is being internally consumed by her own fetishes, and, by virtue of her preponderating weight, will manage to burn the whole world with her.

We appeal to you, Senator, to do nothing more than implement your own expressed principles. You have already indicated that no provocation from Stalin is enough to justify the Stalinization of America. You have also already made clear that you do not approve of lying to legislative officials. We wish to warn you that your silence thus far has managed to produce an unbelievable amount of cynicism among people in the Department of Defense who formerly believed that you were interested in the plight of a democratic America. While, before Pearson's exposure, they had speculated on approaching you, now they are afraid to do so, concluding, not unjustly, that you have joined hands with the connivers against liberty.

This, of course, is an open letter. It will be printed in our magazine, Contemporary Issues, and copies will be mailed to numerous people interested in civil rights. Any answer which you may care to give will be welcomed and given equal prominence. But the happiest answer that can possibly be given us are speeches on the floor of the Senate calling for investigations of Lovett's Empire and the Central Intelligence Agency, interviews with newspapermen, and all other suitable means for giving informa-

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tion on the polygraph as wide a dissemination as possible. Covert, intragovernmental resistance is hopeless. The people — all the people — must be told.

If this is done, we have no doubt as to the outcome. Freedom isn't dead.

Very truly yours,

CHAMBERS McADORY

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We publish below Senator Morse's reply and interject this editorial note to express our admiration for the way he continues to be possessed of unmoved moral rectitude.

United States Senate Committee on Armed Services. October 15, 1952.

Mr. CHARLES GRAHAM, Associate Editor, Contemporary Press.

Dear Mr. Graham:

Thank you for your letter of September 8. I appreciate your thought-fulness in sending me Mr. McAdory's article on the alleged use of the polygraph in the Department of Defense.

As I indicated in my speech on the floor of the Senate I thoroughly disapprove of the use of a polygraph under the circumstances which I

mentioned in my speech.

As a member of the Armed Services Committee, I shall continue to protest against such procedures.

Mr. McAdory's article is returned herewith.

Sincerely yours,

WAYNE MORSE.

#### Further Information

"Evidence obtained by using lie detector machines has been refused in criminal cases by American courts and criminologists. A special New York conference yesterday warned that the machine is not infallible. But it comes out that more and more business firms are using it to screen prospective employees."

London Daily Express, 10th November, 1952.

Where, oh where is "plain-talking Wayne Morse"?

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# THE STRUGGLE WITHIN THE AMERICAN BOURGEOISIE

CAPITALISM is now completing its transformation from its once progressive or classical form to that of its collapse and maximum destruction. This retrogressive tendency is manifested in the most varied economic, political and cultural ways. The course of the development may be expressed: from the America of the previous century, of comparative free enterprise to to-day's monopoly structure; from there to English "Socialism", properly described as state capitalism as in Mussolini's corporate state; and hence to the completed models of Hitler and Stalin. This whole trend toward economic and political totalitarianism holds the entire bourgeoisie in its incontestable grip.

However, the bourgeoisie as a whole does not react in a homogeneous way. The institutional structure of capitalism gives rise to innumerable resistances and counter-tendencies. Some capitalists are more "advanced" along the road of decline; others, because of their special interests, lag behind, and drag their feet. In the "official" language the former are called "progressive" and the latter who resist the general decline are dubbed "reactionary". The main argument may be anticipated by quoting from Forbes' magazine of business and finance. Writes R. B. Coywood, president

H. D. Lee Co., in a letter to the editor:

"On the first board meeting [of the National Association of Manufacturers] I attended, it was a simple matter to spot the reactionary elements and to learn quickly that the board was made up of businessmen of two different types of thinking . . . I quickly classified the board as being made up of reactionaries and progressives. . . ." He added: "I think that while both types of men still exist on the board, there has been a great change. . . There are considerably fewer reactionaries", that is, more who support

the retrogressive tendencies.

Within the world of business, the differences between these "reactionaries" and "progressives" results in a continuing dispute. True, the outcome of this dispute is predetermined, the degenerative forms brought forward by the "progressives" have history on their side, that is, the international development toward economic and political totalitarianism. But the "reactionaries" are none the less able to hold back, delay, and complicate the course of development. These delays and complications can be of great significance both for theoretical understanding and, properly pioneered, for political actions. To begin with we must recognize, in order to guard against confusion, that the classical political terms are reversed and the struggles involved misnamed.

Unfortunately the continuing discussions of policy within the ruling economic circles have remained a closed book. Though attempts have been made in political circles from "left" to "right" to fathom the intent of the

<sup>&</sup>lt;sup>1</sup>15th September, 1951.

bourgeoisie, the opinions of businessmen of national and international weight have not received much attention. This article is an attempt to begin

closing the gap.

The channels of expression used by businessmen and those who speak in their interests' have some characteristics to be noted. The popular, inexpensive, and readily available magazines, such as Life, Time, and Collier's, which are generally identified with various business interests, form a group yielding information of little value. This is so because the wide circulation which these magazines enjoy make them excellent vehicles for propaganda and little else. Characteristically, they are neither clear nor honest.

A great group of magazines, more expensive and therefore not so readily available, and more specialized than these mass media, form the actual literature of bourgeois expression and reveal the splits within it. These include U.S. News and World Report, The Journal of Commerce, Barron's, Business Week, The Wall Street Journal, The Magazine of Wall Street, Forbes, Dun's Review, Iron Age, and The Management Review. To this incomplete list many other excellent sources can be added. For instance the financial pages of the New York Times and the New York Tribune are also useful.

Especially to be noted is the Commercial and Financial Chronicle. It tends to avoid propaganda and hackneyed phrases and contains a large collection of articles by prominent businessmen on broad topics. Fortune magazine is another excellent source. In addition to all these journals there are numerous bank, commercial and industrial newsletters issued by various organizations (e.g., the Investment Bankers Association, American Bankers' Association, the Chamber of Commerce, Petroleum Institutes, and Industrial Conferences, etc.).

Very little information is available in book\*form as businessmen are not ordinarily authors. Moreover, the wide circulation necessary to make books

payable fills them with ambiguity and propaganda.5

Of course the amount of really valuable material on businessmen's opinion that can be extracted from even the best journals is only a small proportion of the total matter that these journals print. The overwhelming majority of articles are quite inane. Innumerable statements of the thesis that inflation is wrecking the economy can be found — no solution to the problem ever being offered. Innumerable assertions that the government is leading the country headlong to socialism occur. This last is at once a view quite divorced from reality and an outmoded technique of discrediting an administration. But even these uninformative statements are of symptomatic interest.

<sup>2</sup> The views of persons other than direct participants in the business world will be avoided. We will try to quote bankers, industrialists and financial writers, and not politicians and professors.

\* Time magazine, in particular, has developed dishonesty to a remarkable degree, using all the technological improvements that come with mass production.

<sup>4</sup> This is difficult to find on sale, It is published twice weekly: on Mondays a statistical issue (90 c.), and on Thursdays a news issue (40 c.). Any subscription must be purchased for both (\$45 per annum). These qualities are apt to put it out of range, even for the small businessman.

A recent exception is U.S.A. — the Permanent Revolution (New York, 1951)

by the editors of Fortune in collaboration with R. W. Davenport.

As already remarked, capitalism is far from monolithic. The opinions and counter-opinions stated and restated in the trade journals are the tops of icebergs which merely indicate the bitter factional struggles that rage between light industry and heavy industry, banker and industrialist, small business and big business, and so on into the conflicts in each category itself.

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To distinguish the economic-political position of each business interest is not easy; nor can we be sure that each case will fit neatly into our categories. But one very good criterion is that businessmen have a characteristic way of revealing their sentiments by their choice of vocabulary. A man who repeats phrases like, "individual freedom", or who worries loudly about "the loss of freedom", or the threat of "socialism", or who demands a "free market", is apt to be connected with a textile firm or a bank and support Taft. The absence of such phrases is likely to characterize the writing of men representing steel firms, aluminium firms, mining companies, chemical companies, etc. In place of the previous expressions we are likely to find vigorous demands that America "appreciate" its important task of "defending the free world" against "the overwhelming power of Russia". To them "controls are necessary", and "defence comes before anything else". However, it must be borne in mind that these divergent lines are not always clearly defined and that language is not a sufficient test.

## The Institutional Structure of Business

There are three principal categories which mark divisions in the institutional structure of the American economy: industrial vs. banking capital, heavy vs. light goods industries, big vs. small business.

In each industry a struggle tends to develop. During the past several decades these struggles have become less significant, as one faction has succeeded in partially subduing its antagonist. But although industrial capital, heavy industry and big business are decidedly the winning trio, inexorably preparing the fascist economic base for their final monopoly—euphemistically called "nationalization" or "statification" — we must not imagine that their victory is already complete. Even when they have their opponents in a death-grip, a concession must be made here or a detour taken there, sometimes for political reasons, sometimes for technical reasons. But in spite of this the historical outcome is never in doubt. As the struggle enters its last phase old institutions are crushed underfoot, old values turned on their heads, and society is metamorphosed.

Heavy vs. Light Goods Industry

In previous articles in this magazine the defeat of banking capital by industrial capital in all decisive respects, and the dim glory that is Wall Street, has already been dealt with at length and I pass on directly to the struggle being staged to-day between the second of our categories—heavy versus light goods industries. In passing, however, it is necessary to remark that in its development banking capital knows that its fate is intertwined with the crisis of industrial capital. Forced to go along with the last gamble the banker may complain bitterly about the extremes to which his "progressive" colleagues are willing to go, but "reactionary" as he is, for him to desert the system is impossible.

In serving their own ends through the armaments-controls-allocation program, the pillars of society, the heavy industrial rulers with the resounding names: U.S. Steel, Alcoa, General Electric, Du Pont, etc., have dealt the light goods industries a mighty blow. The unchecked contraction in the consumer market which results from the declining standard of living, and the scarcity of raw materials indicates only a brief future for the light goods industries.

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The New York Times of 2nd January, 1951, explains the situation under the delightful headline "Too Much Butter in 1951" and continues:

"Optimism rests on the scheduled rise of defense expenditures to a new peak and correction of the top-heavy inventory situation that plagued consumer goods lines during the year just closed. . . Indications are that 1952 results by different lines of industry and businesses will probably vary sharply. Some, primarily in defense, will do well. Others, in consumer goods fields, may find sales of regular lines slipping behind last year. . . . Business men in many lines, ranging from television sets to textiles, were too badly 'burned' by heavy inventories last year to wish to repeat the process. . . In 1951, it was not a case of 'guns or butter'. Paradoxically, industry and business found that while the rearmament program moved ahead, 'too much butter' brought an unexpected recession in many consumer goods lines. . . The setback in consumer goods contained all the elements of a first class economic recession."

The Times is notably unaware that in the year 1951 of too much butter, the mass of the American populace was switching to margarine. The population was presented with a rise in the cost of living amounting to about 10 per cent. A simultaneous rise in wages would have cut the decline in real wages to about 5-6 per cent. But, alas! The government with its regrettably high "essential" expenses, was forced to call for an increase in taxes.

The full extent of the decline in consumer industries can easily be found by a careful examination of the press.

Thus, the New York Herald Tribune summarized the economic history of 1951 on 2nd January, 1952. Under the cheerful general headline, "Nation's Industrial and Business Operations Slated to Reach New Highs", we find the following statements:

"There will be fewer new automobiles and they'll cost more than they did in 1951. Auto builders will be allowed to produce 4,000,000 new cars (a 33 per cent. drop), and some industry leaders think that's about all they can sell."

"Despite a sharply curtailed rate of production in the first six months of this year, the major appliance market will be intensely competitive during all of 1952."

"Garment manufacturers, plagued by plummeting prices and huge inventories for the better part of 1951, begin the new year chastened and wiser."

"To the textile man, as to all in the soft goods fields, the last year was one of bitter disappointment made all the bitterer by the optimistic outlook at the year's beginning. The heavy overproduction of the first six months has not yet been liquidated at all levels."

In spite of the difficulties engendered, the decline of the civilian economy bound up with the transition to war production is fundamental to the entire economic process, and thus remains politically irresistible by all the "officially" recognized voices. Even the consumer goods producers who are being destroyed can do nothing else but call for an increase in war production, hoping to benefit themselves indirectly. Not many voices are heard opposing armament; and those that are heard are soon drowned out. Whatever opposition does occur is apt to take the self-contradictory form of opposition to one or other of the consequences of armament, but support of the armaments programme itself. Thus, The Magazine of Wall Street of 3rd November, 1951, published an article by E. A. Krauss, with the indicative title, "The Importance of Maintaining a Sound Civilian Economy — Within the Defense Effort". It is unnecessary to quote further.

The light goods industry has an ally in banking capital that hopes for a two-fold stake. In economic terms, light goods industries are a source of profit for the bankers, since these industries unlike heavy industry are not in a position to supply their own capital. In political terms, the two combined can hope to maintain some resistance to the program of the heavy industries. None the less, to abandon the mobilization program would mean immediate disaster for capitalism. And representatives of light goods industries will typically approve of the mobilization program in principle, but criticize the execution of the program and the program of controls with which it is associated. Thus the apparent contradiction in a statement such as this by Herman Cone (president, Cone Mills Corp.), a textile man:

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"The common defense effort is paramount, but at the same time, it is important that . . . the controls imposed and increased regulations of private affairs are temporary. . . ." Spokesmen for heavy industry, on the other hand, feel that the program is going too slowly; for them, the drastic curtailment of the consumer goods industries is a sad but unavoidable necessity.

The writing is on the wall. The American middle classes, those sturdy yeomen of tailor shop and farm, of grocery and haberdashery, all those who in the once expanding profit economy ministered to the human needs of society, have now completed their exit from all places of importance and power. Only 20 per cent. of the population depends on small businesses for support; the rest are "controlled", forced out, proletarianized and pauperized. The rearmament drive hastens all the processes of small business mortality. It becomes the main-line of profit-raking for heavy industry at the expense of consumer industry in a savagely contracting world market. This "way out" is characteristic of totalitarianism as such - already well under way in America. During the early thirties, for example, Stalin found it necessary to undermine the Russian peasantry (the largest section of the Russian middle-class) by an unspeakably brutal policy of agricultural "collectivization". The story of this policy is now known to have been written with the blood of at least six million peasants. A similar policy was followed in principle when German fascism undertook the liquidation of small craftsmen before and during the last war. Tito currently

New York Herald Tribune, 7th December, 1951.

emulates his totalitarian predecessors with "collectivization" drives that threaten the existence of the entire Yugoslav farming class.

The position of the middle-class is always challenged by industrial or heavy monopoly when acute economic contractionism ushers in the death agonies of capitalism as a world system. But the reason is not solely economic. There are urgent and decisive political reasons for the assault on the middle-classes. The independent economic status of farmers, craftsmen, small businessmen, and professionals is an obstacle to the eventual totalitarian regimentation essential to the final monopoly. The middle class has the possibility for considerable resistance to authoritarian régimes because it is not a part of statified industry. It cannot be manipulated as easily as other social elements whose economic base is controlled by the state. The behaviour of any government toward the middle-class thus comprises an index of the extent to which totalitarian practices have infiltrated a society.

To the extent that America is not yet fascist in every respect, for parliamentary political and other democratic reasons, the spokesmen for big business find it necessary to deny their amputation of small business interests and in this are supported by the political representatives of "free enterprise", etc. In unguarded moments the "official" governmental protectors of small business tell reporters that 90 per cent. of their charges are chiselers undeserving of help, but by and large they find it necessary to define them substantially as enterprises employing less than and up to 2,500 workers. Throughout, the attitude to small business is farcically equivocal and further confused by the economic ducks and drakes played up by the press and the "definition"-hunters or "experts". The Tribune of 2nd January, writes, under the headline "Small Business is Big Worry in Defense Plans":

"But to hear talk in Washington, the thing that concerns everybody is not the over-all effect of military procurement, but whether small business is getting enough of it. So far, nobody knows what small business is. In fact, Telford Taylor, the energetic administrator of the new Small Defense Plants Administration, has frankly admitted that his first job consists in

making just those two determinations."

Mr. Taylor's procedure is clear. He must go on a mission to define small business. He must first comb the universities, and accumulate a staff of sociologists. They, after no more than eighteen months, be it noted, of intensive research, will issue a report in twelve volumes which will prove conclusively that the task of accurately defining "small business" is beyond the present powers of social science. He can then fall back, as a justification for his research flights and their failure, on the "admittedly sloppy standard of 500 employees or less" used by the Munitions Board.

And that brings us back to precisely where we were: why small business is becoming smaller. The *Times* of the same date reveals this clearly:

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"Because of the stringent supply situation in steel, aluminium, and copper, there will be a number of casualties in the manufacturing fields in the first half of this year, officials said. The casualties to which officials of the National Production Authority refer are those vulnerable to the increasingly strict allocation decisions which that defense agency must make. Those considered vulnerable are manufacturers of non-essential

items who depend upon steel, copper, or aluminium. . . ." It would appear that the mystery of what is considered to be small business is rapidly being cleared up! Those who, in general, cater for butter before guns and even revolvers before cannons!

Within the mobilization program, small business, in spite of all twists, continues to be handled in the government's usual bedside manner. Small businessmen are advised that a visit to Washington would be fruitless. Instead, a call on the local business' "clinic" is suggested. Big business, however, is readily accommodated by the government. The government stands by as a ready customer and friend: tax amortizations, defense orders, allocations, stockpiling, monopolized import purchases (R.F.C.), and exemptions from anti-trust "action" are granted. Big business need not go to Washington — it is already there. Representatives of the large corporations either serve directly in defense agencies or as W.O.C. ("without compensation") men, or are members of the industry advisory boards attached to each agency. Mention of the business failure indices (always standing at 162 or so per week) to the government, never fails to evoke the reply that the indices are declining. Indeed! Evidence of the survival of the fittest is beginning to show!

# The Struggle Over Controls

The most vital issue in the economics of retrogression is the issue of controls. It is over this issue that the fiercest battles are fought. Thus far, government economic controls have taken three forms: price controls, wage controls, and controls on the allocation and consumption of industrial raw materials. A fourth begins to appear: controlled production quotas for various industries and segments of single industries.

In its objective aspects, price control is an attempt to squeeze some of the cost of rearmament out of the profit margins of the petty bourgeoisie. The industrial monopolies will never be controlled. Innumerable escapes, not open to the smaller firm, are open to them. They can secure cost-plus contracts. They can bring enormous pressures to bear on the government. They can infiltrate the control apparatus itself. They can plead hardship, claiming to be essential producers. The weight of price control falls upon the helpless small businessman. An explanation:

Associated Press reports on 30th November, 1951:

"The National Production Agency . . . penalized [Alside Inc.] by a six month suspension order . . . , . . . for admitted violation of priority controls. The company is a major manufacturer of aluminium siding." But not as major a manufacturer as the enormous Alcoa aluminium trust, whose six-month suspension would paralyse an important sector of the entire "defense" effort.

In essence both price controls and high taxes are a forced payment by the non-industrial bourgeoisie and the people for the sale of armaments to the state. This is the main reason why the small businessman, the producer of consumer goods, and the financial magnate are all regarded as taking a

"reactionary" line when they resist.

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Wage control is an effort to stabilize the relations with the working masses by giving the results of collective bargaining the force of law — inspired or breakaway strikes being considered unofficial. In this the large

industrial unions play the rôle of powerful monopolies. They will be able to protect themselves by exerting legal political pressure. The real loser

will be the dominant mass of workers in other fields.

Finally, the industrial allocation and production quota controls are a protective mechanism, a sort of super-cartel plus state power arrangement. As we have seen, the turn to armaments production represents the same tendency formerly manifested by cartels: a collective abandonment of fruitless attempts to expand sales in the market which cannot absorb such expansion. Such an abandonment, the maintenance that is of a restricted status quo, must needs be collective, for each manufacturer must have guarantees that his old markets, at least, are safely protected both from his old competitors and from any new-comers. For this, a control apparatus is necessary. Control in such a vast undertaking cannot be left to individual cartels but government control over the entire economy is called for.

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The Defense Mobilizer Wilson has in stentorian tones made the main drift quite clear. In lame terms he concedes: "... Where it is necessary to modify controls to speed production, we will not hesitate to do so." But, and this is the main stress: "On the other hand we intend to stick by tough controls despite pressure, no matter how heavily it is exercised or upon whom. The fact that somebody thinks that controls are 'New Dealish' or the fact that someone's profits are being curtailed, is not going to shake me one bit from my belief that controls are necessary at the present time.

"My job is production — period. I'm not a professor of economics. I'm going to use whatever brand of economics I have to use to do the job of building America's might [recognize the tune! — G.T.]. Once that is done [what a protracted vista! — G.T.] — when the fair day comes and America is prepared, if necessary, to fight an all out war, when civilian production becomes normal, when the inflationary pressures are gone — you'll find Charlie Wilson the first to demand the clamps be removed from our economy."

He is answered in no less certain, but far less confident terms by the

financia. powers, writing in Barron's: 8

"... Not Capitalism, not Enterprise, but the Free Market and the Price System — that is the forgotten issue of the times... All the old clowns — the tariff, the quotas, the system of farm price supports — are there, and much new material besides... Take in this connection ... tin... There never was much point in Stuart Symington's high-handed attempt to beat down the world price to his own arbitrarily chosen level...

"The same abhorrence of free prices may be seen in the case of lead, in copper, in scrap steel, and other basic materials. But, this is not all. Not only the production, but the allocation of all materials has entered a new phase just as prices and shortages are easing. The Controlled Materials Plan once . . . covered only defense and defense-supporting industries. . . . Now it regulates the entire metal using economy from top to bottom.

<sup>&</sup>lt;sup>7</sup> Factory, October, 1951. Wilson, Director of Defense Mobilization, since the time of writing this article, has resigned. His successor, Henry H. Fowler, is less blatant, but the trend continues. It should be noted that the Director also helps in setting draft quotas for the armed forces.

<sup>8</sup> 14th January, 1952,

. . . What is most alarming of all, in the case of the automobile industry the National Production Authority has lately arrogated to itself to decide how big each manufacturer's share is to be."

Wall Street may well worry what place it will find for itself in the coming order. Nevertheless, the economy continues to develop in the directions mapped out by more "progressive" elements. Writes W. F. Butler (economist, Rockefeller office, and foreign department, Chase National Bank):

". . . Direct controls are clearly necessary . . . ; first, the military program is too big to be handled without direct controls . . . ; they are a lesser evil by far than the inflation and chaos in production that would occur in a free market. [So much for laissez-faire — G.T.] The one thousand metal-working plants probably consume over 80 per cent. of the metals in the U.S. If they can be reasonably well controlled, the operations of the remaining 15,000-20,000 metal-working plants can be handled by general limitation orders. [And so much for small business! — G.T.]"

Businessmen who have qualms brought on by their sentimental regard for the glorious tradition of the free market yield willingly to the blandishments of patriotism — as we have already seen in the last resort they are victims of regimentation:

"Wage controls, price controls, . . . will continue to be established . . . to save the dollar from depreciation. . . . It is our patriotic duty to participate . . . in following these regulations."

"Do we like it? Of course we don't! . . . BUT [sic] — there's only one possible attitude to take . . . do the best possible job with these regulations." "

To patriotic feelings are added little white lies:

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"Even with all these regulations this [automotive industry] is still a highly competitive business." <sup>13</sup>

In various special cases, technical reservations on tempo are voiced:

"... The idea of controlling the whole [steel] industry for the sake of two months' production is like the tip of the tail wagging the dog." Henry Ford combines reservations with patriotism in quite diplomatic

erms:
"We don't want to be too critical, we want to do all we can for the

<sup>9</sup> It is interesting to note that the man replacing Eric Johnston among Wilson's assistant controllers was described by Wilt Lawrence in the N.Y. Times of 26th November, 1951, in these terms: "... Mr. Putnam ... long has been regarded as a progressive industrialist ..." [my italics — G.T.]. It is a curious reflection of the ideological chaos of our time that a term more commonly used by Mr. Earl Browder, deposed leader of the American Communist Party, should be appropriated by the industrial bourgeoisie. Mr. Browder has since become a "Trotskyite-Titoite — Mad-Dog". The Communists have since become "pacifists" and exponents of free trade. To the doctrine of socialism through massmurder is added that of communism through a relaxation of import-controls.

<sup>10</sup>The Business Record of Conference Board, August, 1951, as part of a symposium on The Garrison State Economy.

<sup>11</sup> E. William Lane, Treasurer, American Screw Co., in *Credit and Financial Engagement*, November, 1951.

<sup>12</sup> L. L. Colbert, Pres. Chrysler Corp. in Detroiter, 26th November, 1951.

"Steel, 19th November, 1951.

defense effort. At the same time, we want to build as many new cars as possible.<sup>218</sup>

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Nor is it only individual businessmen, with a stake in producing civilian goods, who haggle and complain but achieve nothing more than eventual capitulation to outright "controls" of the national economy. Organizations set up to fight in the name of business as a whole, such as the National Association of Manufacturers and the National Chamber of Commerce, etc., display only vain attempts to resist the general historical trend. Innumerable examples to illustrate their impotence can be found in the press but strangely no explanation as to why, even in its organized form, consumer goods business finds itself powerless to bring pressure to bear on the Government. The truth is that those who resist have no real understanding of the processes involved and, consequently, no consistent intransigence. There is no going back to the old capitalism; but the inevitable crisis of capitalism itself is at hand. Those businessmen who would resist by ignoring the factors bound up in the retrogressive development of the system are not and can not be in command. The simple fact is that capitalism does not proceed accidentally but historically and the present opponents within the business cycle to the rapidly maturing Garrison economy and state are no more than vestiges of dying institutions. The immediate test which corroborates this are that the keepers of the garrison, such as Wilson, etc., are in command and not the spokesmen for business as previously understood, such as the N.A.M. and N.C.C.

## Aspects of Foreign Policy

The farcical "Great Debate" in the American congress would seem to indicate that American foreign policy has no particular goals. On the surface it would appear that foreign policy is based on the threat of Russian expansion into American spheres of interest, and the State Department meets every exigency in a reluctant and clumsy manner.

In spite of appearances and confusions, however, a careful examination of bourgeois journals reveals rather definite trends. The conflicts we have examined in the national unit economy are repeated in international respects. American foreign policy is a subject of conflict between the old classical imperialism and the degenerative imperialism of the modern age. In other words it is a struggle between certain bourgeois sections whose interests lie in the direction of expanding capitalism through capital export abroad and the free trade which they hope would ensue and the contractionists whose interest is to preserve existing privileged levels of production mainly by the forcible amputation and outright destruction of existing competitors. In both cases the monopolists use the excuse of the threat of Russia to impose upon the public and the economy the desired effect.

Statements advocating classical or laissez faire imperialist policies appear continually in the pages of the business press. Demands that investments abroad be made safe by the Government and demands that American business export capital to the free world are repeatedly addressed to readers of trade magazines. All this smacks of nineteenth century imperialism: the expansion still possible at the time to young capitalist economies. The laissez faire perspectives are however clouded — the pure vision, much tainted

<sup>&</sup>lt;sup>18</sup> Associated Press, 1st December, 1951. Ford demonstrates his sophistication in striking such a neat balance between guns and butter.

and beset by modern worries, willy-nilly drives the protagonists of free expansion into the camp of their monopolistic opponents, and leads them to adopt restrictive and other compulsive mechanisms. Most statements are an unholy mixture of such contradictions. In order to save our readers too much muddlement we present the contradictions separately and cumulatively. The following sentences from Fortune outline the pure vision:

". . . We have very good national reasons to extend our free-trade area

to certain nations that may be willing to reciprocate.

". . . The terms of the offer would require abandonment of all exchange controls, quantitative restrictions, and other devices which prevent a progressive division of labour.

". . . The most successful business practices (by and large American)

would become the prevailing practice throughout the area."

With this advice and the offer to extend "free enterprise" to Europe, Fortune elaborated its plans in the August, 1951, issue basing itself on an unruffled confidence in America's economic strength:

"The real case for Europe's economic unification . . . does not include any arguments for permanent discrimination, despite the efforts of some

British economists to import such arguments.

"If a unified Europe were to engage in discriminatory trade wars with the U.S. . . . it could be successfully opposed, for Europe, unified or not, depends on trade with areas in which the dollar is the most influential

currency."

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But the confident easy way through for increased trade and prosperity is rather less in evidence than would appear from the selected quotations. American strength is seen not as spontaneously victorious but rather more often as a weapon to be used to compel trade with America. The National Foreign Trade Council of New York, while similarly revealing its eagerness for expansionism, is stolidly aware of the force involved:

"The council calls on the U.S. Government to announce that until 'receptive and co-operative attitudes called for are shown' no U.S. Government funds will be made available for any purpose except those

of the most pressing and humanitarian nature."11

This view is reiterated in the recent "Interim Report of the Foreign Securities Committee" in the June, 1949, issue of Investment Banking:

". . . Until there is some indication that foreign governments will either voluntarily or because of pressure from our own government adequately to respect [sic] our investments abroad . . . they will continue to be of

insignificant proportions."

These rather mild threats, ill suited though they are to the spokesmen of "free enterprise", and naturally mixed in with a recommendation of yet other methods, reveal that these businessmen are visionaries of an outmoded and impotent way out and, in the final analysis, are partners in international garrison methods of trade. The American Bankers Association came out with the following statement of gratification:

"One of the signs of returning consciousness is . . . in a recent editorial of the New York Times. [The editorial quoted suggested that

<sup>&</sup>lt;sup>16</sup> U.S.A. — The Permanent Revolution, New York, 1951, p. 252.
<sup>17</sup> Anglo-American News, November, 1951. Under this clause, Hungarians and Czechs are provided with lectures on the benefits of American citizenship.

the democracies should start "filling vacua"!! — G.T.] The significance of this is that . . . an important segment no longer . . . thinks that colonialism is a bad word, forgetting that the only way civilization has spread since the beginning of time has been through colonialism in some form." 18

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Fortune even more clearly, and less apologetically, states the decisive tendency in American foreign affairs that breaks through in spite of all conflicts and differences — that of the outright strangulation of other economies:

"The American people or their statesmen have . . . been wrongly pretending Britain (or somebody else) was policing the post-Versailles world,"

"It is high time the American businessman realized that it is not European socialism but European capitalism that is the block to 'freeenterprise'.

"The problem of Europe . . . comes down to who is to liquidate the capitalists of Europe — the Russians or the Americans." 250

The interplay between those sections of American business who cling to the illusion of industrial aggrandizement through the classical mechanisms of free competition and free trade and those who achieve the end and only possible result of outright monopoly and the extirpation of competitors is

very clearly witnessed in statements made about Britain.

The British Empire, universally regarded as the prime example of classical imperialism, and now in its decline, attracts the businessman's covetous eye. Felix Morely writes in the *Nation's Business* (organ of U.S. Chamber of Commerce) of December, 1951:

"Now the British Empire has had its day and that country, regardless of the régime in power, can no longer sustain the imperial rôle. Many Americans assert that we must take over as they give up. It is a reasonable argument — provided that we can simultaneously show the maturity, [etc.] . . ." [my italics — G.T.]

Thus the illusionists. The "reasonable" perspective is to take over where Britain "left off" and in this way to bring to the world an increase of trade through making available to it the inestimable benefits of American capital and production. Involved, of course, in the pleasant prospect, the charming change-over, is the fallacy that Britain in her remaining Empire relations had "given up". It is simply that America is committed and is using every device to wrest that Empire from Britain and in the process to destroy both British economy and parts of the Empire economy. The growl emitted by B. C. Forbes is a sign of things in process and to come:

"U.S. and British policies and aspirations are clashing alarmingly. The Torquay conference on international trade has emphasized this afresh. Britain persists in enforcing Commonwealth tariff preferences, thus handicapping America in exporting to very wide areas. Naturally we resent this."

It is not the export of American capital benefits to the rest of the world

<sup>18</sup> Banking, November, 1951.

<sup>&</sup>lt;sup>19</sup> U.S.A. — The Permanent Revolution, New York, 1951, p. 231,

<sup>20</sup> Ibid, p. 219.

<sup>21.</sup> Forbes, 15th May, 1951.

that is worrying Mr. Forbes. His resentment is clearly based on the competitive life of the British Empire, artificially supported by nationalization, cartel, monopoly, and above all the preference system, which does not permit wholesale dumping of American consumer goods on the markets. This trade war between America and Britain is acutely felt on both sides of the Atlantic and we off-set the sensitivity of Mr. Forbes by quoting from The Economist. The tone of the British protest is naturally different. The English bourgeoisie (at this stage) tries not to bite the hand that feeds (and robs) it. It is still largely a revolt by apologists. The Economist speaks of America as English capitalism's great friend; America is constantly praised for its "good-heartedness". English manufacturers may well feel that should the grumbling become more audible, some midwestern Senator might well be provoked into suggesting that America abandon her rôle as "honest broker" in the colonies. None the less, Sir Frank Nixon is, after all, driven to complain timidly:

"This instability [in the raw materials situation] is dangerous for the good relations between the U.S.A. and the U.K. . . . If raw materials remain scarce and some cuts have to be made, could they not be made

. . . in some of the lavishness of American methods?"22

The golden era of American expansion not only involves the squeezing out of British economy but in the process of divesting it of its Empire, America succeeds in her monopoly practices only in ruining parts of that Empire. The most recent, and a glaring example of this, is the dispute over Persian oil. In the language of the classical vision it is simply a matter of the British Embassy being ousted through Iran's front door and the glorious American Point 4 aid rushing in at the back door — but how little has entered! The tremendous facilities at Abadan are simply shut down. The Iranian workers are abandoned to starvation. Indeed they are ideal candidates for genocide. (And, speculations of a Russian invasion begin to appear in the American press.) For America this colossal waste is merely a device for cementing her hold over the monopoly of the supply of oil on the world market. Writes the New York Herald-Tribune of 13th November, 1951:

"'Iran [i.e. England] has given away [!] a substantial part of the market. . . . We have not only compensated in the Middle East but with some strain on United States and Venezuelan reserves we have got the

whole world situation under control." [My italics - G.T.]

And the article also remarks:

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". . . Representatives of big American firms in the Middle East fear a sharply competitive situation will arise [if Abadan functions again]."

To emphasize the gravity of the productive losses to the world as the monopoly colossus takes over, we note: With a fraction of the ten billion dollars invested in the last six months in war industry, Iran could be built into one of the great chemical-industry supporting areas of the world. Synthetic fibres could be produced, a large textile industry developed, and great masses could shed their rags for orlon-nylon clothing.

To sum up: In the actual concrete penetration of American interests into the rest of the world we have a highly detrimental, destructive result, overlaid by the utterances, entirely ideological of the "reactionaries" who desire

<sup>&</sup>lt;sup>28</sup> Anglo-American News, September, 1951. Sir Frank is president of the London Chamber of Commerce.

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free development. These latter, the banking and consumer goods enterprises express a nostalgia for the old imperialism, with its succulent opportunities for capital export, free trade, etc., and self benefit. In practice the real protagonists are those who represent the big industrial interests and who shift away from the capital export concept which is central to the classical Leninist analysis of imperialism. Not capital export, but the attempt to smash markets is emphasized.

The victory of the interests of the industrialists is beyond question and has become state policy, accompanied by a clear conception as to what is required from the rest of the world to fit itself in with the requirements of industrial combines. Official American aid programs for Europe and the colonies comprise only a small quota of capital goods for increased consumer production, that is expansion in the countries in question. The bulk of the aid is a dumping policy for American surpluses ranging from agricultural machinery and agricultural surpluses to coca-cola and toys for distribution in the Western sphere of influence. The threat of surplus in America forms the granite base of policy. In the opinion of B. C. Forbes, it is not capitalization but future market invasion for which Point 4 has been created:

"But if peace — real peace — were to be declared, there would be quite a lot of scurrying around to find 'plans' to dispose of the products of all these new and expanded facilities. That is when point 4 would come into its own due to pressure from industries to sell their goods — somewhere, anywhere. But peace isn't that close."

All the world-pump-priming is for ensuring the export of industrial products (including arms production) from America and not the industrial rehabilitation of the rest of the world. The threat of such rehabilitation and America's final control over it has been clearly expressed in *Fortune* under the significant title "The Permanent Revolution":

"The industrial comeback of Germany, like that of Japan, will one day soon turn that country from a U.S. ward to an economic power of great importance. Whether it comes back liberal or Schachtian depends in a large measure on the world trading climate . . . the U.S. and only the U.S. has a decisive responsibility for setting the climate of that pattern." (p. 150.)

The pattern has in fact been set, along with American aid, quite clearly. We refer only to Mr. Rockefeller who opines that as long as the (war) "emergency" lasts ("for the duration" as it were) all imperial efforts in the American spheres of influence should be concentrated on the production of raw materials. These can then be processed in the arsenal of democracy. Benjamin Fairless seconds the motion:

"The best [thing]... the U.S. could do... is to make the other countries of the non-communist world realize that the supply of raw materials we need can be their contribution to a balanced economy."

They must contribute, that is, to balance the needs of American industrialists. On this issue the "reactionary" and the "progressive", with the usual tedium, differ in opinion. The banker advocates the old imperialism, the industrialist insists that, at least as long as the threat of Russian

<sup>38</sup> Forbes, 1st August, 1951.

<sup>24</sup> Credit and Financial Management, January, 1952.

aggression lasts, arw materials supplies — all countries being supplementary or secondary to American requirements — are primary. But since Russian aggression is expected to last for ever, it would be reasonable to assume that these policies are of a permanent nature. The difference of opinion is based on the differing self-interests of the two factions. Finance capital would be glad to extend loans and thereby to control new commerce and industry. The industrial mountain, on the other hand, standing in the stifling atmosphere of an already over-industrialized world, sees in the establishment of new finished-goods industries in colonial areas only the increased burden of new competition, a competition that would eventually have to be smashed in the manner of World Wars I and II. The industrial mountain prefers rather to be surrounded by a raw-materials-producing plateau.

## The Russian "Menace"

Though it does not involve a point of controversy within the bourgeoisie, the question of bourgeois opinion on the famous Russian menace will be of some interest. America and her allies have stated again and again that almost every one of their policies are mere reflexes to acts of the Soviet Power. Businessmen are skeptical. Writes Dr. Melchior Palyi:

"This boom rests in the first place on war preparations which are almost certain to peter out by the middle of this decade, if not much earlier. Already, the conviction that Russia has 'missed the boat' and could not attack any more — the thesis which this writer has been hammering on a year or longer — is spreading. (The 'news' seems to cause some fresh thinking in the Pentagon, and in Europe, but not as yet in the State Department.) Sooner or later it may become extremely difficult to keep the restless Europeans on the armament job, and the American public might get tired also. If so, we may or may not face a real recession, but the raw materials will certainly be in for 'trouble'."

The material motive of the war scare is obvious in this statement as also in those that follow. Nor are businessmen impressed with the wonderful expansive force of the Russian social system. Writes B. C. Forbes:

"My conviction is that the tyrants of the Kremlin are infinitely worried, worried over excruciating conditions in their own country, worried over the rising resentment of Soviet tyranny throughout their satellite countries, worried over the decline of Communism in other nations, worried over the steadily mounting military strength of the Atlantic pact nations, worried over the rising might of America. . . .

"For perhaps the hundredth time, I dare assert that Russia will not precipitate another World War. All indications are that the United States is rapidly producing atomic bombs galore.

"All in all, I refuse to give way to despair."

" Forbes, 15th May, 1951.

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<sup>&</sup>lt;sup>26</sup> Eric Johnston said: "If you say you favor controls because of the threat of Communist aggression, does that mean we are to have controls forever? Certainly the threat of Communist aggression may last for twenty, thirty or forty years or more." (Vital Speeches, 15th October, 1951.) We must note that business forecasts are considered to be long range if they span two years. Hence, any change which businessmen speak of making in more than five years has been politely postponed until the second coming.

<sup>\*\*</sup> Commercial and Financial Chronicle, 15th November, 1951.

Carlisle Bargeron, Washington correspondent of the Commercial and Financial Chronicle, writes from a "reactionary" point of view:

"You wonder how long the American people intend to swallow such propaganda as this [Russian strength] . . . just how long they intend to

let the military and politicians run wild.

"The demand of organized labor, socialized medecine, etc., etc. — all these are picayunish as compared with the greater question of whether we are going to . . . take some stock of what is being done to us in the guise of Russia's physical menace."38

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States Vernon Bartlett, British commentator on Foreign Affairs, before

the American Chamber of Commerce in London:

"They [the Russians] must know that they could not win a war because now it is clear to them that from the very first day of the war the whole strength of the U.S. would be against them. It is quite possible that Russia might overrun the whole continent of Europe . . . but they could not win that war.

"We are apt to forget that a third of European Russia . . . was completely devastated in the last war. We forget perhaps the great anxiety of the heads of the Soviet government to prevent any contact between the ordinary Russian and the outside world, and how difficult it is to keep that ban going.""

Mr. Eric Johnston demonstrates that even a mobilizer may sometimes

give away some of the secret:

"Now look at the steel figures . . . the increase alone in our steel capacity by S-day [1953] will be about three-fourths of Russia's total

output at the end of the Five Year Plan." 100

There is a note of fear commonly associated with mention of Russia, but it is not what the naïve suppose. It is fear of the unworkability of the war madness because of Russia's weakness, Writes Forbes, 1st November,

". . . The entire defense program is keyed to a potential war with Russia. If peace were to break out, Stalin to die, or what not - all

forecasts would be as useless as mud."

We quote a more extended treatment of the same theme from W. F. Rockwell, Chairman of the Rockwell Manufacturing Company:

"... Our country has been paying for the double privilege of playing

policeman for the world.

"There is another suspicion that our leaders by using that bluff [of Russia starting a warl [do so] in the hopes of perpetuating themselves in

"Over and above all this confusion, the businessman must consider the possibility of any event which would reduce the Red Russian Ruler's ability to make war. [Disturbances behind the Iron Curtain] . . . indicate that Russia's internal problem may not only be a deterrent to war now, but might suddenly bring about a collapse of Red Rule.

". . . It is quite possible that reduction of the war fear would expose over-expansion which would result in keen competition - if not depres-

<sup>28 15</sup>th November, 1951.

<sup>29</sup> Anglo-American News, 1st April, 1951.

<sup>20</sup> Commercial and Financial Chronicle, 10th May, 1951.

sion — followed by deep psychological effects as disastrous as the period 1929 to 1933. Businessmen in general know that illusionary war profits and inflation only increase present risks, but may leave some enterprises utterly unable to carry over-expanded facilities in the face of a shrinking demand for their products.

"It is impossible to find any guide for the garrison state. . . ."

In the more popular press, such a proposition is more apt to be put euphemistically. The N.Y. Times of 9th January, 1952, carries a statement of C. St. Pierre, president of La Banque Canadienne Nationale:

"The day when the requirements of rearming cease to contribute such an important element to trade among the United Nations, a serious problem and a serious problem are required to the United States."

lem may arise in Canada as well as the United States."

Nevertheless, the *Times*, as if simply to prove that the truth will out, writes on 29th December, 1951:

"If all out war should occur, a balanced economy would persist. But the controls already planned in this country's economic mobilization program, stricter and more far reaching than those of World War II,

would bring about a garrison economy.

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"If peace settlement or its economic equivalent were achieved on some more acceptable basis than the perennial Soviet offer of 'co-existence' through the division of the world between two great empires — this country's economy would be in for a drastic readjustment leading to a serious slump."

The real "Russian Threat" is the threat of premature dissolution of the great business partnership. The real "Russian Fear" is the fear of Russia's collapse. It is quite unnecessary to wonder why the Voice of America is famous for inanity, or why anti-Stalinist refugees fleeing into West Germany are squeezed dry by American intelligence and then arrested for illegal entry. If Russia were to disappear from the globe, the pliable courtesans of the public press would be instructed to build up public fear of a Martian invasion. For the bourgeoisie, Stalin is infinitely preferable to revolution. Those to whom this is not clear are well advised to ponder upon the statement of S. B. Lurie:

"I'm sure there'll also be unanimous agreement . . . that we can rule out the possibility of a golden era of peace. . . . Even if Russia were to collapse to-morrow, it would take several years for political normalcy to return [!] in that country — for the world threat of Communism to disappear. Similarly, no matter what happens vis á vis Russia's relations with the free world — or in Korea — we as a nation will be suspicious — and suspicious means armed strength."

Bourgeois Consciousness

Having amassed a certain amount of the data that is usually lacking, it is possible to touch on the vexed question of "consciousness" among the bourgeoisie. There is a lamentable tendency for politically interested persons of the "left" to collect criticisms of the ineptness of, say, foreign policy from the "right" and "center", and to take them almost at face value. On the "right", American policy is considered inept and fumbling

<sup>81</sup> Ibid, 22nd November, 1951.

<sup>22</sup> Ibid. Mr. Lurie is market analyst for Paine, Webber, Jackson and Curtis.

because paralysed by subterranean communists. The "liberal" center maintains that American policy is inept and fumbling because the attacks of the "right" keep intelligent men out of the government apparatus. The "left" adds to this stew the most microscopic grain of sophistication, and maintains that American policy is inept and fumbling because the bourgeoisie is a declining class. Actually, the bourgeoisie was never more forced to be conscious than by modern production. The "left", and indeed all historical scholarship, concedes consciousness to the architects of the Greek League, to the administrations of the Roman Empire, to the mercantilist businessmen who wrote economic treatises, but then, suddenly, with the outbreak of the first World War, intellectual darkness is assumed to come into its own. The reason for this turn is more simple than its proponents will admit. To find the necessity underlying each individual policy of government is not easy. The simplest way to set one's mind at ease is to imagine that all policies inexplicable on some particular mistaken basis are random errors. This cheap way out is nothing but a sign of intellectual laziness and

arrogance compounded.

It is interesting to compare that which is ordinarily asserted about the United States with the corresponding assertions about Russia. The Stalinist government, we are told, is brilliantly calculating; the American is unable even to inform itself. Acheson suffers from being remote from popular aspirations; Malenkov, while not exactly close to them, is able to overcome his difficulties by intoning phrases from Problems of Leninism. John Foster Dulles cannot imagine the desires of a Malayan peasant; Lavrenti Pavlovitch Beria is well instructed through the sympathetic agentry of the M.V.D. The source of these absurdities is to be traced to no other place than the offices of the U.S. Department of State. The Nazi hierarchy contained mad romantic prophets of Teutonic glory through sadism like Himmler and brilliant political analysts like Brautigam. The American bourgeoisie contains comic petrified reactionaries like Babson and conscious totalitarians like Wilson. In the social process, consciousness is of secondary importance. But let no one imagine that he alone is conscious. With consciousness comes consciousness of doom. The political characteristic of the present time is that ever larger sections of humanity are forced into the abyss. The increasingly absurd system begins to destroy not only the proletariat but the middle class, and not only the middle class but the bourgeoisie itself. Destruction replaces progress, bankruptcy takes the place of profit. Great rifts appear where once was unity. As capitalism becomes auto-cannibalistic in the extreme, new avenues for political action open up. Impressive is the situation which causes a banker to write (T. J. Shanahan, pres., Federation Bank and Trust Co., from N.Y. Times, 13th Jan., 1952):

"The feeling of living on borrowed time, which has pervaded all phases of life and activity since the close of the war still persists. It resembles a war psychology with the notable lack of the goal in a war psychology — victory. We seem to be racing with a spectre, identified by some as world communism, by others as inflation, by still others as inept political leadership. A fourth group identifies all our ills with a general moral breakdown. Certainly this spectre may have the attributes of all four, and may well be another set of horsemen, no less deadly than the well-known

group which rides with war."

# MATERIAL AND DOCUMENTS

## AMERICA: SIDELIGHTS OF THE PRESIDENTIAL ELECTION CAMPAIGN

During the closing days of the presidential campaign The New York Times reaffirmed its Republican endorsement, but "regretted that, in the matter of Senator Nixon's privately subscribed expense fund, he [Eisenhower] failed to indicate disapproval of a practice which, however blameless in this instance [sic], certainly lends itself to vicious abuses and, as such, deserves condemnation". In the same issue a Times columnist, Mr. Krock, goes on to generalize that there is no "deep moral distinction between [this and] the supporting fund for his administrative assistants that [Governor] Stevenson personally solicited and disbursed in Illinois". (23rd October, 1952.) Certainly two wrongs do not make a right; but such a mild rebuff of "Ike's" political spinelessness by an important backer cleverly misses the

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Nixon, defending the secret California fund in that famous television and radio broadcast, threw down a challenge to Stevenson. Stevenson accepted the challenge, bared his personal finances, and went a step further. Both Stevenson and his running mate Sparkman, the Democratic Presidential and Vice-Presidential candidates, released their income tax reports for the past ten years. Reluctantly, Eisenhower did the same. Continued campaign attacks forced out for public review the aspect of Eisenhower's finances which were overlooked earlier. In 1948 Eisenhower sold his book Crusade in Europe for 635,000 dollars. The Treasury Department ruled that it was a capital gains transaction; consequently he had to pay only a 25 per cent. tax, because the General was not to be considered as a "professional writer and there was no further income accruing to him after this single transaction". Actually he should have paid a rate as high as 80 per cent., i.e., about a half million dollars. Instead he kept \$476,250 and gave the government \$158,750.

All this public accounting left the Republican Vice-Presidential candidate in an embarrassing position. If Senator Nixon has not used a penny of his "political" fund for private use, then, his critics claimed, how did he manage to pay \$20,000 as a down payment on one of his homes, given his "modest" publicly-declared total annual income and expenses? Remarks were heard about the sudden opulence of Nixon's relatives after his rise to the Senate, especially with respect to the acquisition of real estate. Nixon became a sphinx at this stage of the game and simply refused to clarify the mysterious \$20,000, or even to issue his tax files to the public. Still worse, he was caught

in a lie:

The Senator's defense of the \$18,235 secret fund hinged on the following argument: "I'm proud of the fact that the taxpayers, by subterfuge or otherwise, have never paid one dime for expenses which I thought were political and shouldn't be charged to the taxpayers." On 3rd October, 1952, it was reported on the front page of The New York Times that "... Nixon's campaign manager conceded to-night that the Republican Vice-Presidential candidate used the Senate franking privilege (free postage) to

determine whom Californians wanted the Republicans to nominate for President. . . . The mail poll was conducted in early June, and . . . Nixon has sent out 23,000 letters postage free." Once again, despite tremendous public pressure, the California Senator remained in a state of stony silence.

In an attempt to regain lost ground, Republican Governor Dewey of New York brought to light the fact that Senator John J. Sparkman's home state of Alabama uses a "White Supremacy" label on its general election ballot. The label appears above a rooster and underneath is written "For The Right": a rooster emblem which was employed as far back as the 1890's by the Democratic Party. Its program was the prevention of Negro control of the state's vote as had occurred during the Reconstruction Period following the Civil War. Thus, Stevenson personally selected a Senator to be his running mate who would appear in that State on a jim-crow slate. Sparkman had already shown his true character in the U.S. Senate by voting against proposals to outlaw such vicious traditions as: (1) segregation of Negroes in public housing; (2) lynching; (3) discriminatory employment practices; (4) support of jim-crow schools with federal funds; (5) segregation of Negroes in Washington, D.C.; (6) segregation of Negroes in the armed forces. Two years earlier this "liberal" Southern Senator said: "I am against civil rights proposals — always have been and always will be." Since no one could prove outright that Sparkman was a member of the Ku Klux Klan, that fascist, anti-Negro, anti-Jewish and anti-Catholic organization, the situation was dismissed with mild deprecation.

Truman, the democratic elder statesman and most aggressive campaigner for the party ticket, was accused of joining the Klan in 1922. Since 1944, when Truman was first charged with being a former member of the KKK, he has never resorted to the courts in order to clear himself by suing his "slanderers". Republicans were also compromised on the racial question. Senator Nixon had voted for the McCarran Immigration Act, a current law which discriminates on the basis of national origin. (Sparkman's "disciplined" behaviour in voting to sustain Truman's veto of this Act can be laid simply to the fact that passage of the Act was assured.) Eisenhower, also, was not without friends among the racists. A branch of the KKK in the state of Florida used its propaganda facilities in Eisenhower's behalf.

Eisenhower did his best to straddle the fence, even if crudely. In one radio and television program directed to twelve Southern States Ike appeared with three Dixiecrat governors who had bolted from the Democratic Party, all four saying that a vote for the Republican candidate was in defense of "southern tradition". Simultaneously a television broadcast to thirty-six Northern States showed Ike and twenty-five Republican governors

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promising to lead America towards peace and "social gains".

A certain comic-relief was provided by the Keynote speaker of the Republican presidential convention, General Douglas MacArthur. Embittered because he was unable to prevent Eisenhower's nomination after his own chances had evaporated, MacArthur failed to repudiate the "Christian Nationalist Party", which had put his name on the ballot in twenty states. This anti-semitic organization of Gerald L. K. Smith is a tenth rate fascistic splinter party. It must have been poor compensation to old "General Mac" for it did not even rise to the height of electoral nuisance in the presidential race.

Trying to break away southern states from Democratic control, the Republican Party was too busy to capitalize on the animosity that information about Sparkman would generate among large minority groups in key northern states. Generally the Alabama ballot was treated as being tangential to the campaign, unlike the issue of Nixon's finances, which continued to abide in ghostly fashion throughout the campaign. The Sparkman affair was buried under newspaper and radio silence, and Nixon's trouble dismissed with a shrug of the shoulders and the incessant pious sighing that government officials should vote themselves a needed raise in wages — certainly, "responsible" opinion held the body politic should not be a rich man's club.

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As American politics is conducted, one must indeed be born as wealthy as Governor Stevenson, or have the security that that rugged individualist General "Ike" had in the army, or have your wife on the government payroll like that Southern gentlemen, Sparkman, or be supported by and therefore a tool of special interest groups, or, as is the rule, some combination thereof. Serge Fliegers' "What Price Presidents?" in the October, 1952, American Mercury magazine figured that in this campaign a candidate or political party pays \$25,814.50 an hour for a nation-wide 188 station hook-up on all the radio networks and \$31,000 for an evening hour over sixty-three N.B.C. stations, which is only one of the major television chains, "A candidate", writes Fliegers, "appearing in person at a local railroad station has more vote-getting power than his flickering image reproduced electronically in the size of a flower vase. Also, he saves money that way. The White House wouldn't tell us how much President Truman's 272speech tour cost him in 1948. But armed with information that he travelled 31,000 miles with a five-car train, we approached the railroads for an estimate, and found that the whistle stops cost Truman about \$30,000, including food, overnight parking, and sanitation charges . . . [specialists] in the field of campaign finance . . . [estimate] the cost of 1948 campaign up to 130 million dollars. And the estimates for this year's campaign could come close to the quarter billion dollar mark."

Would it be presumptuous to say that with each succeeding Presidential race, as the candidates have less and less to say, they spend more and more? America is actually a one-party country, with the internationalist wings of both parties running affairs of state under bipartisan camouflage. Certainly these slick public relations men must charge large fees for the difficult task of attempting to hide the fact that greater differences exist within the two major parties than between them.

Under the Hatch Act of 1940 a \$3,000,000 limit was placed upon receipts and expenditures of political committees. President Roosevelt offered a nullifying formula: "If each committee can only spend three million — well then, let's have many committees." The \$5,000 limit on individual contributions to political committees met with similar ingenuity. Members of the same family or business made donations to many state, local and independent committees.

Non-elective offices, like diplomatic appointments, present a cheaper road to public service. Ambassadorships run for \$50,000 on the open market; Joseph Davies, of "mission to Moscow" fame, gave the Democrats \$46,000; Tony Biddle's \$55,700 got him a post in Poland; and Doris Duke

handed over \$50,000 in order to make her spouse an American envoy to Canada. As much as such contributions help, they far from cover rising political expenses. It has been suggested that additional federal taxation should be charged to defray campaign expenses of the two major parties.

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But it is unlikely the new administration will have to resort to this kind of measure or even find it necessary to institute electoral reforms to keep political overhead costs from cutting patronage profits. Good old American know-how will come through and find untapped sources of revenue for the party coffers and for poor but "promising" politicians.

## 2. SOUTH AFRICA: THE PORT ELIZABETH RIOTS

The recent riots at New Brighton, Port Elizabeth, are a landmark in the South African political situation, and denote the point at which the South African ruling group casts aside all pretences of enjoying Non-European support for its segregation policy. To all intents and purposes it is the point at which virtually, open war is declared on the majority of the population, and the attempt is intensified to regiment the white minority as an army of occupation. The Port Elizabeth riots, whatever the precipitating causes,

have provided the Government with a Reichstag Fire occasion.

Non-European political consciousness, as is well-known, was considerably accelerated by the great industrialization and urbanization of recent years. Now, as the expansion slows into a "mild recession" (with familiar symptoms of exhortations to export more, secret arms aid agreement with America and general militarization, etc.), the cost of living threatens to rise still more, the pressure on the non-European people tightens, and the social tensions sharpen. The protest of the non-white peoples is still comparatively unorganized, still largely blind, but their reaction can no longer be said to be one of passive adaptation to circumstances. It has become active resistance to the more and more brutal regimentation of the present South Atrican society. Continuing the infringements of individual liberty, which were increased particularly during the war under Smuts with the war measures, controls and internment camps, the Nationalist Government now prepares to make a great stride forward with its hideous misnamed apartheid policy and the establishment of a permanent régime of force.

Any manifestation of resistance by the non-white community is regarded as fraught with menace. It can develop into a conscious and organized movement for democratic rights which would send the colour bar system toppling down. Thus, even the defiance campaign presented dangers. Of course, this campaign has been utilized by the official Opposition as an electioneering stick to belabour the Government — apartheid, declare the Opposition segregationists, has brought the defiance movement upon the country with its possible extension into a real danger (no informed person can regard the campaign, as hitherto conducted, as a real menace to anything). On the whole, the process of the campaign may be described as having been almost placid. Volunteers defied this law and that law in this town and that town, informed the police politely of their intentions beforehand, were politely arrested, tried and sent to gaol (though, according to some reports, their treatment was often anything but polite). Little

political education was carried on among the mass, the movement was directed from the top by leaders, "volunteers" often being coerced in various ways, and it is doubtful whether the movement has enjoyed any mass support up to now. It is, indeed, more probable that the mass of people have been watching it to see where it was going without any great enthusiasm. For the entire conception of the defiance movement has been vague and confused. What did the organizers hope to achieve? Ostensibly, the repeal of five unjust laws? But that would mean in fact the overthrow of the whole segregation system, a virtual revolution (peaceful or otherwise), for which little or no preparatory work has been done. Nevertheless, beneath the more or less calm surface always lurked the possibility of the masses themselves entering more actively into the struggle and pushing it out of the framework (and reach) of the leaders — and this was feared.

Into this context broke the New Brighton riots, a portent. The reaction of public spokesmen was immediate, not only those of the Government but generally throughout the Opposition, and the following editorial extracts provide a picture of the propaganda campaign which ensued: "Outbursts of savagery must be put down with unrelenting decision" (Diamond Fields Advertiser, 21st October); "The non-European people of the Union should be in no doubt at all of the complete and unified determination of the Europeans to resist and to stamp out any attempts to upset by violence the established order of things" (Pretoria News, 22nd October); "The Natives are not ripe for the universal suffrage or other Utopian advances urged upon us by reformers too wedded to doctrine to take account of the facts" (Cape Times, 20th October), What underlies this hysterical behaviour of "respectable" "Liberal" organs? The gnawing anxiety at the foreshadowing of a struggle to "upset the established order of things" for "Utopian advances". It needs no stressing that the reaction on the Government side was stronger and more inflammatory. Port Elizabeth provided the perfect excuse for strengthening the fascistic apparatus in the Union. The African people could be presented to the country as savages unfit for civilized treatment and tractable only to the sternest discipline, for New Brighton had long been publicized as a "model" township. That a riot should break out there signified the inefficacy of a Liberal policy and, in fact, something worse, that it was only regarded as a sign of weakness and as a temptation to violence. Many people fell into the trap. Mr. Schauder, member of the City Council and a former Mayor, the father of the model housing schemes, was quoted as saying: "It was the only city which kept the Native completely [1] free. Now we have lost." (Subsequently, Mr. Schauder was one of the councillors who resisted the ultimatum of the Minister of Native Affairs to impose restrictions on the city.)

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The Government, for its part, was considering only the best method of punishing the population of New Brighton and of extending its repressive measures over the country as a whole. Mr. C. R. (cat of nine tails) Swart, Minister of "Justice", author of the farm gaol, instantly and unerringly indicated the scapegoat — the defiance campaign. Deliriously happy (a Press photograph shows the Minister, accompanied by his familiar, a high police official, leaving the office of the Mayor of Port Elizabeth with a satisfied smile on his face), the Minister threatened new legislation (including unlimited power of "naming", concentration camps) and stated that the

police had received drastic instructions. "They will shoot where necessary."

(In three riots since, the police have naturally found it necessary.)

Another politician turned omniscient deity, the Minister of Native Affairs, Dr. H. F. Verwoerd, was equally quick on the trigger. In the past, Dr. Verwoerd has attacked the exemption of Port Elizabeth from "control measures" in force in all other cities. A former sensationalist editor who got into Parliament after losing an election via Government nomination to the Senate, Dr. Verwoerd does not owe his Cabinet position to any democratic process and apparently feels he need not show such processes any respect. Port Elizabeth had now been proved to be the fountainhead of the resistance campaign, the place from which it persistently flowed. Proper "control measures" would have to be enforced there in future, even if this meant passing special legislation.

Before we proceed further, it is necessary to clarify the extent to which New Brighton was actually a model township. Undoubtedly, there was substantial benefit for the African there in his freedom from the usual "control measures" which consisted in — Registration of Service Contract by which employers are compelled to register all African employees and pay a monthly renewal fee; influx control by which no African can be employed or enter an area unless he possesses a document entitling him to look for employment in that area; and a curfew prohibiting Africans from being on the streets after a certain hour. The benefits of the housing scheme itself were: three-roomed brick houses at a rent of 4s. 8d. per week; electric light and at the cost of 2s. a week; free water; free medical atten-

tion, free medicine, and free maternity services.

But a critical light must be thrown on the housing scheme which has become a prototype for other "model" schemes throughout the country. New Brighton was established fifteen years ago, when the Africans lived in a typical South African slum, called Korsten. On their removal to New Brighton, they lost the squalor of Korsten, but, at the same time, they lost other rights. In New Brighton they have no freehold rights, they have no control over the conduct of the township, they may not ask who they will to live with them (including parents), and people too old or too sick to work are forced, as was pointed out in a letter to The Star (25th October) by Johannesburg City Councillor A. J. Cutten, to leave "the nice clean 'model' house provided by the local authority. Furthermore I have no doubt that schooling facilities in New Brighton are hardly better than in any other location, that no orphanages (beyond the usual mission institutions) exist for parentless or illegitimate children". Mr. P. J. B. Kwaza, a former member of the New Brighton Native Advisory Board, adds to the picture in a letter to the Evening Post (1st November) - by calling attention to - the conditions of "the single men, who sleep in the open without anything to call a shelter"; "filthy conditions stalking New Brighton everywhere"; lack of amenities for children and juveniles; lack of nurses and lack of medical facilities. ("Can one doctor be expected to examine 500 patients daily in less than three hours in a population of 60,000 Africans?"). Finally, to

<sup>&</sup>lt;sup>1</sup> Subsequent to the writing of this report, Mr. Schauder has replied to Mr. Cutten's criticism in *The Star* of 12th November. Insofar as his defence of the "model" township is couched in terms of comparisons with the usual run of slums, it is, as a rejoinder, plausible rather than actual.

complete the description of a "model" township in South Africa, it may be mentioned that there were almost 10,000 unemployed in Port Elizabeth at the time of the riots.

Obviously, the ridiculous claim, worthy only of a Dr. Verwoerd, to blame Port Elizabeth's "liberal policy" for the riots can be dismissed. Over the past few years, the following riots, among others, have occurred in areas where "control measures" were in force - Durban (Indians against Zulus), Krugersdorp (against proposed pass laws for African women), Sophiatown (against increased tram fares), etc., etc. (all before the defiance campaign was even suggested and hundreds of miles distant from the "liberal" atmosphere of Port Elizabeth). Moreover, Dr. Verwoerd's impudent accusations were speedily refuted by the outbreak of further riots in Johannesburg (against increased rents at the Denver Men's Hostel), Kimberley and East London.

On the question of what precipitated the riot, there are conflicting versions. The reports in the press stated that two Africans, alleged to have stolen a drum of paint, resisted arrest by railway police at New Brighton station. A crowd of Africans intervened to assist them, stoning the police, and enabling the prisoners to escape. About 3,000 Africans then converged on the station and began to wreck it. Squads of police cars raced to the scene and were attacked. They fired into the crowd, who intensified their attack. The conflict then broke out in another part of New Brighton where several European civilians were murdered, buildings burnt down, and the

battle ended only at midnight.

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According to Dr. Njongwe, chairman of the Cape Province branch of the African National Congress, another version is circulating among the African people. "It has been reported that an African who is alleged to have stolen a pot of paint jumped out of the train when it reached New Brighton and tried to run away. He was tackled by railway police and a scuffle ensued. The man was shot dead on the platform." It was then that the crowd intervened. Dr. Njongwe emphasized that seven Africans were shot dead before a single European was harmed.2 It was after the shooting that a section of the people rioted in the location and attacked whites. Only a judicial inquiry could elicit the truth of the matter, said Dr. Njongwe.

Whichever version is correct, it is enough to say that Africans in the Union find the second one easy to believe. It is also significant that, as yet, the Government has obdurately refused to hold a judicial inquiry despite pressure by the Press, and others throughout the country. On the contrary, an inquiry is refused on the grounds that it would cast a reflection on the police. All things point to the conclusion that the Government is intent upon establishing conditions for a reign of terror. (Some time ago, a large stock of anti-riot equipment was imported from America, consisting, e.g., of tear-gas and other weapons, but instead of this Sten guns have been used regularly.) The Government wishes to proscribe all independent non-European organizations, and white dissidence (Liberals, Churchmen, Press, etc.) and to incite emotions against the "black danger" (e.g., the recent issue

<sup>&</sup>lt;sup>2</sup> "But one inescapable fact remains: in every case, where Europeans were murdered Africans had first been killed by the police." The Observer, 16th November, 1952.

of rifles, free ammunition, and even Sten guns to the white militias, the

Skietkommandos).

The intimidation has already had successes. The Port Elizabeth City Council (in secret session) surrendered to Dr. Verwoerd by voting down the demand for an inquiry, refusing to consult the Native Advisory Board as it should have done (and which rightly has resigned), and imposing a curfew. At the same time, the State staged a demonstration of force in the city with armed forces, armoured cars, flights of planes and all. Armed guards were placed on the buses between the city and New Brighton and armed police stationed at the stopping point, removed half-a-mile away from the nearest house. The people of New Brighton answered the insult and provocation by a boycott of the buses, and preferred to walk daily three miles to and from work. Finally, a consultation between A.N.C. representatives and the railway authority resulted in the removal of the police and the end of the boycott. To the curfew, the A.N.C. replied by calling a one-day "stay away, fast and pray" strike. The miserable City Council (there was a minority in opposition) it is reported, thereupon appealed to the Defence Force to take over the city. In the pattern set up a sullen civil war has been foreshadowed. The Government has banned all non-European gatherings for a month in Port Elizabeth, Uitenhage, Peddie, East London and Kingwilliamstown under the war emergency regulations, and fifty-two African leaders in the Eastern Province have been forbidden to attend gatherings anywhere in the Union for six months.

Raising the spectre of a slave rebellion, the Cabinet threatens to use unlimited powers to suppress all dissidence, and to set up concentration camps ("work colonies", as they are sometimes called). A continuance of the polarization on black vs. white lines, desired by the Government, however, will mean totalitarianism eventually for all and a bloody future for the country. It will not succeed in suppressing the drive against restrictions, at most, it can only postpone it and force it to take more violent forms. Certainly, the behaviour of the Port Elizabeth City Council in the affair holds a sorry omen. As a writer to the Eastern Province Herald (5th November) said: "It is better to become overruled by force than become the instruments or handmaidens of dictatorship. The first gives hope for the future. It provides a rallying point for resistance. It rouses the apathetic and knits together the democratic forces. It shows the electorate plainly what they are up against. It is better that we should know now rather than later on, when it is too late. . . . The latter method of acquiescing in the

<sup>a</sup> The outright capitulation to a "token" strike by the A.N.C. demonstrates the weakness and adventurism of the leadership and campaign. Originally the A.N.C. had boasted its intention of calling an all-out strike for as long as the curfew remained. By bargaining with the City Council and agreeing to a one-day affair which resulted in the victimization of thousands of people, they "achieved" the

travesty of a reduction of the curfew from five to three months.

\*The Torch, an independent non-European newspaper published in Cape Town, makes the fellowing perfectly correct political comment, "While the main responsibility for provoking pogroms rests with the Herrenvolk and its agencies, the main responsibility for preventing pogroms rests with the non-Whites themselves and their organizations. In these times . . . it is of the greatest importance to the non-Whites that they should stamp out ruthlessly every attempt to inflame race and colour hostility between African, Coloured and Indian, and as between non-Whites and Whites as such (i.e., as distinct from Herrenvolk)." 4th November, 1952.

destruction of our liberties, and endeavouring to work with dictators, in the hope of salvaging something from the wreck, merely bemuses the electorate, weakens resistance and deprives us of all moral authority to carry on the struggle. We shall be informed that it is our own representatives who have done the things we dislike." This statement applies, of course, to the white population, the non-European people are free of the disgrace of allowing themselves quietly to be muzzled, bridled and saddled.

11th November, 1952.

# 3. GERMANY: THE CASE OF JOHANNES NEITZ

Readers of our magazine will recall that in our last number we drew attention, under the section Material and Documents, to the utterly anomolous prison sentence imposed upon Johannes Neitz as a war criminal. We propose now, as we did then, that the red tape which alone binds him in gaol can quite simply be dissolved: in so far as British prison authority does not regard itself as having any jurisdiction over a prisoner committed by Canadian authority, and in so far as Canadian authority declares itself to have no jurisdiction over the detention of a prisoner in the British Zone of Germany, it is clear that nobody is responsible for Neitz and that he should quite simply be released. The solution we propose would be good for Neitz and in the very nature of the case no authorities could lodge any objection.

In submitting the following correspondence to us Mr. Shaw's comment on the last letter is, we feel, a fair estimate of the conduct of Occupation authorities in Germany to-day. He writes: "With luck Neitz will be released in time to get his calling-up papers for the new German Army!"

Cambridge, 20th October, 1952.

Mr. Hamilton Kerr, House of Commons.

Dear Sir,

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I regret to trespass on your valuable time, but as one of your constituents, I should be obliged if you would give the enclosed cutting concerning Herr Johannes Neitz your attention.

Surely it is absurd that a man is being kept in prison purely because of red tape and administrative complications. This seems altogether monstrous.

In any case, to give a soldier a life sentence because he fired on an escaping prisoner seems grotesque. If he had not done so, he would probably have been court martialled by the German Army and given a life sentence by them.

I consider that the matter should be investigated by the British Government, and a report issued. Meanwhile, I have written my support to Mr. Paul Wedekind as requested in this article.

Yours faithfully,

J. W. Shaw.

House of Commons, London, S.W.1. 3rd November, 1952.

Dear Mr. SHAW,

I have now heard from the Parliamentary Under-Secretary at the Foreign Office with regard to the case of Johannes Neitz, about which you wrote to me.

The Minister points out that the case is not one which concerns our Foreign Office. Neitz was tried by a Canadian Court Martial and is held in prison in Werl in the British Zone of Germany on behalf of the Canadian Government. It is for the Canadian Government to consider any proposals which may be made for the reduction or termination of the sentence which Neitz is serving.

Yours sincerely,

HAMILTON KERR.

5th November, 1952.

Dear Sir.

I thank you for your letter of 3rd November and for your prompt attention to the affair of Mr. Johannes Neitz.

Nevertheless, I regret that I do not find your reply very satisfactory.

I was aware that the British Foreign Office considered the case to be a matter for the Canadians. But the Canadian authorities have already declared that they can do nothing since Mr. Neitz is in a British prison. This point was brought out quite clearly in the article from Contemporary Issues (again attached and marked).

Surely something can be done to break the vicious circle? Do we appeal

to the United Nations next?

Incidentally, with half the Waffen S.S. wandering loose all over Germany, the delay in the Neitz case does not make a good impression.

With apologies for again trespassing on your valuable time.

Yours faithfully, . . .

7th November, 1952.

Dear Mr. SHAW,

With reference to your letter of 5th November, the best thing I can do is to pass on the correspondence to the Canadian High Commissioner for transmission to Ottawa.

Yours sincerely, . . .

8th November, 1952.

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Dear Mr. KERR,

Thank you for your letter of 7th November.

I am very pleased by your efforts in the Neitz case. I think you have shown both goodwill and intelligence.

Yours faithfully, . . .

14th November, 1952.

Dear Mr. SHAW.

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I have received a letter from the High Commissioner for Canada regard-

ing the case of Johannes Neitz, which reads as follows:

"It is quite correct that Mr. Neitz was condemned by a Canadian court-martial, and that he is held in prison at the present time by the United Kingdom authorities on behalf of the Government of Canada. As you are no doubt aware, it is intended, under the Bonn Conventions, that a Clemency Board should be set up to review the cases of war criminals, and it is intended that Neitz's case should be reviewed by this Board when it is set up along with other war criminals confined by the Occupying Powers in the Federal Republic of Germany. Under this procedure Mr. Neitz would receive the same treatment as other war criminals whose cases are reviewed by the Board."

Yours sincerely, . . .

Paul Ecker

# CREAK IN THE CRUSADE

T was in the summer of 1952 that the scholarly and heroic Don Quixote of Abilene rode forth on the Great Crusade against the viper of corruption and malfeasance in high places. His lance held high, his visor down, he was breaking into a slow gallop upstage — when who should get all tangled up in the reins but the loyal Sancho Panza.

Right here it was apparent to Don Quixote he was going to need a new valet. It wasn't that Sancho hadn't enough experience; in fact, he'd had far too much. What was needed, perhaps, was a man of a little more spit and a

little less polish.

But Sancho was, if anything, loyal. He attached himself to Don Quixote with the perseverance of a postage stamp. He hadn't run in front of the horse voluntarily, he explained; he would have been perfectly content to continue riding behind on the rump. But he was pushed — from the left.

"And carrying that heavy bag of money (all for the crusade, of course, dear master) it wasn't at all easy to keep my balance. Now please lift this half-dead animal off my back and let us get on with the show."

"On with the show indeed!" replied the indignant knight, rubbing his own bruises. "Here it is only the first act and they are all leaving the house." And he signalled for a hook from the wings.

But Sancho was resourceful as well as pure in heart.

"Wait!" he cried, ducking the first sweep. "Lock the doors! They shall hear how I, Sancho Panza, have devoted my life to the service of my God, my country, my wife, my children, my dog and myself (though not necessarily in that order). It will be a speech that will wring the tears from a potato."

It could not be said that Sancho was without nerve. In the wings stood the policeman, informed by the next-door haberdasher that it was necessary to hark back a century (well anyhow, a week) to discover such a piece of

knavery as Sancho's.

At the sound of Sancho's voice, the departing audience stopped dead in its tracks. A cry (spontaneous) arose from all corners of the house: "Let us hear Sancho!" One, whose lines became spontaneously mixed up, was heard to shout "Long live Sancho, the unstained!" But his hat was quickly pulled down over his ears.

Sancho, overwhelmed by such a reception, rubbed a tear from his eye and riffled through his papers. "Ah, here ——" and he choked down a

lump.

"Friends, Americans, . . . Democrats: Lend me your minds.

I come to bury Eisenhow. . . ."

"Wrong speech! Wrong speech!" hissed Don Quixote angrily.

"Why so it is," said Sancho good-naturedly, tucking it into his pocket. "Let's see now: what else have we here?"

And he proceeded to read two instalments of Little Orphan Annie, recited "Oh Captain, My Captain" (with only a single mistake), sang several choruses of "Father, Dear Father, Come Home with Me Now" and topped

it off with the Boy Scout Pledge.

There wasn't a dry eye in the theatre. Waves of salt water beat against the stage. The cheers were deafening. "Long live Sancho, the incorruptible!" they cried. Sancho was dazed ("Me?" those close by swore he was heard to mutter). But there was no time for introspection, Don Quixote clasped him to his breast: "You're my boy!" he cried — and in a lower voice, "But that'll be enough out of you!" It is a sad fact: No valet is a hero to his own master.

But justice would not be denied. The crowd bore Sancho aloft. He was wrapped in a huge \$1,000 bill while the band thundered forth with "It Ain't What You Do, It's the way That You Do It". They carried Sancho forward and seated him back on his mount. (Someone motioned Don Quixote to hop on too.) The horse was jabbed with a hatpin and sprang forward.

"Where to now?" asked Sancho. "Look we still for the viper?"
Don Quixote was a man sensitive to the demands of the situation.

"Perhaps it would be better," he said, "to abandon that hunt for a while. We might try instead to decapitate the thousand-headed red dragon. Or"

— and he cast a sudden worried glance at Sancho — "are a couple of those heads in your family album, by any chance?"

"Don't get wise," snapped Sancho,

And they rode on, joined by a bond stronger than love.

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